



ACTIVITIES REPORT 2021





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.



TABLE OF CONTENTS

PREAMBLE.....	3
HIGHLIGHTS OF THE MICROFINANCE INDUSTRY IN 2021.....	7
SKILLS SUPPORT.....	13
BUSINESS DEVELOPMENT AND PROMOTION OF MICROENTERPRISE.....	22
MICROFINANCE OBSERVATORY.....	31
COMMUNICATION & PARTNERSHIPS.....	35

The page is decorated with intricate geometric patterns, likely Islamic or Moroccan in style, featuring star and polygonal shapes. These patterns are rendered in a palette of teal, mustard yellow, and burnt orange, with some elements appearing as if they are layered or have a drop shadow. The patterns are concentrated in the corners and along the right edge, leaving a large white central area for the text.

PREAMBLE

While the year 2020 was marked by an unprecedented global economic downturn, the year 2021 saw a slight economic recovery, with growth rates that went up again gradually and in different proportions in the various regions of the world.

The main trends in the global microfinance industry in terms of social performance between 2017 and 2021 were as follows:

- The average ratio of female clients rose to 56.7% during these five years, which confirms the role of microfinance in empowering women entrepreneurs;
- An upward trend in rural financial inclusion since 2018 (+32%), experiencing an interruption due to the effects and measures taken in response to the pandemic;
- A constant concern for the retention of the best customers during the pandemic with ratios as high as 70%;
- A resumption of investments by microfinance institutions (MFIs) in non-financial services (training borrowers in financial education, health, etc.) despite their low profitability.

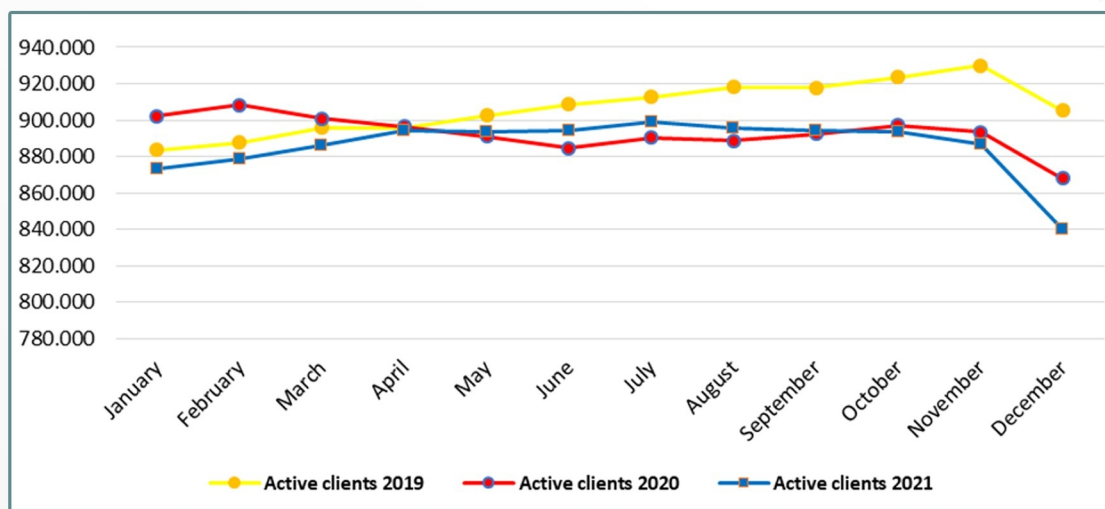
Considered as a model of microfinance development on an international scale, Morocco is positioned just after Egypt in terms of loan portfolio. Thus, Moroccan microcredit associations (MCAs) are among the most active in the Arab world.

In 2021, the microfinance sector in Morocco played a major role in the country's financial inclusion, continuing to provide services to economically vulnerable groups in an effort to mitigate the negative effects of the health crisis and related uncertainties.

At the end of 2021, and after the write-off of outstanding debts, the number of active microcredit clients in Morocco reached **840,333 clients** against 868,070 in 2020 (a decrease of **-3.2%**).

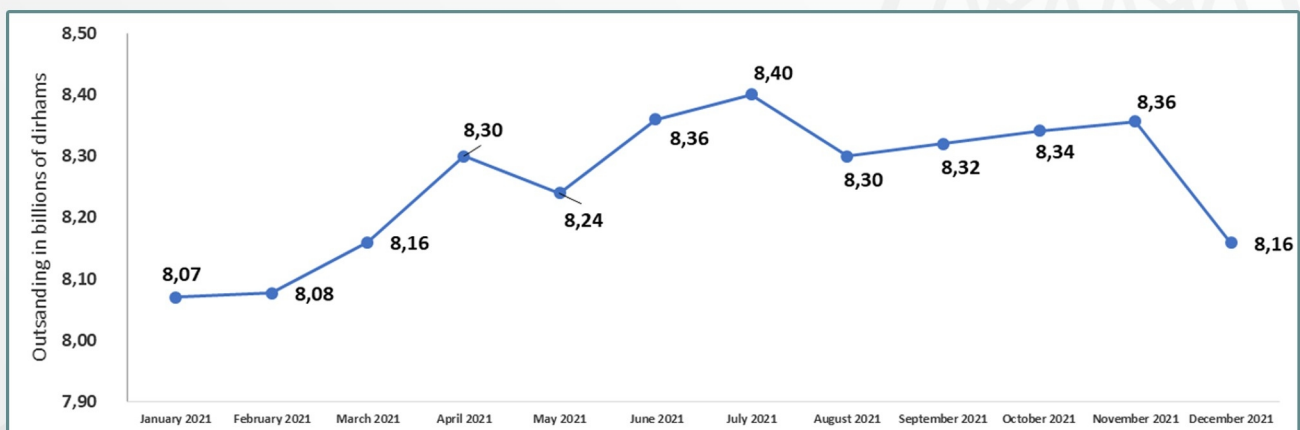
Individual borrowers account for 76% of the total, joint borrowers for 22%, and very small businesses for 2% of the total. The rural sector has evolved by 1 point, settling at 34% of the total, and women represent 47% of active clients, down 1 point.

Evolution of active Microfinance clients in Morocco



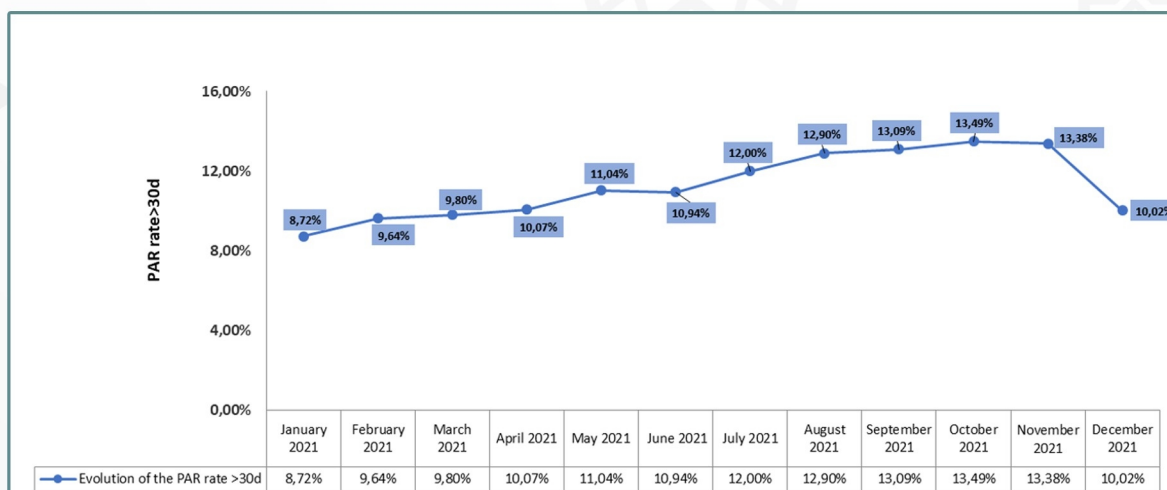
Outstanding loans reached **MAD 8.16 billion**, against MAD 8.02 billion, a slight **increase of 1.66%** compared to December 2020.

Evolution of the outstanding amount of the microcredit sector in billion dirhams (2021)



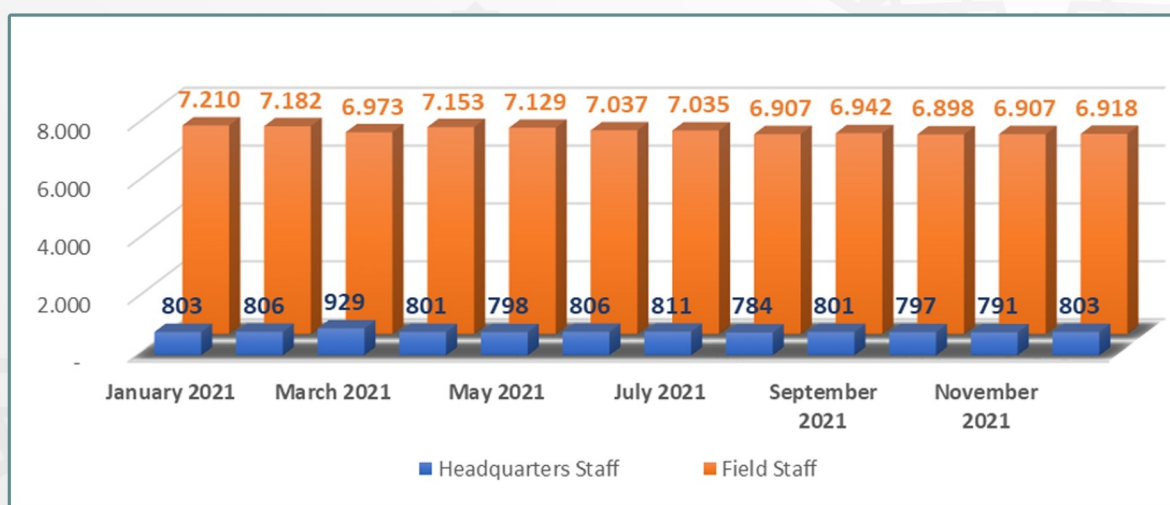
The portfolio at risk over 30 days (PAR >30d) increased significantly in 2021, from MAD 642.94 million to MAD 817.13 million (i.e. **+27%**) and the rate of PAR >30d stood at **10.02%** at the end of December 2021, against 8.01% at the end of December 2020, i.e. an **increase of 2 points**.

Evolution of the PAR rate>30d in % Microcredit Sector (2021)



The number of staff in the microcredit associations **decreased by 3.66% to 7,721** at the end of 2021, compared to 8,014 at the end of 2020. At the headquarters, the staff remained unchanged (from 804 in 2020 to 803 in 2021, i.e. -0.12% decrease). As for the field staff, a decrease of -2.38% (from 7,087 in 2020 to 6,918 in 2021) was recorded.

Evolution of the Microcredit sector workforce in 2021



The background of the page is decorated with various geometric patterns, primarily star-like shapes. These patterns are composed of overlapping triangles and lines, creating a complex, symmetrical design. The colors used in these patterns include shades of blue, yellow, orange, and teal, set against a light beige background. Some patterns are solid, while others are outlines. The patterns are scattered across the page, with a higher concentration in the top right and bottom corners, and a large, faint pattern in the center behind the text.

HIGHLIGHTS OF THE MICROFINANCE INDUSTRY IN 2021

The year 2021 was the promise to a gradual recovery following the easing of health restrictions. Events that had been postponed to 2020 were thus able to be held that year, either remotely or face-to-face.

Below is an overview of the main events that characterized the year 2021 at the international and national levels in the microfinance sector.

It should be noted that the microcredit sector in Morocco has shown great resilience by creating new formulas that are better adapted to the economic situation. At the same time, the sector has been provided with a new legal framework that should enable a favorable evolution and promote financial inclusion in the Kingdom.

• **International**

• **Webinar "Green Inclusive Finance for MFIs: assessment and coaching for improvement - The Green Index"**

Organized in **January 2021** by the “Green Inclusive & Climate Smart Finance” action group of the European Microfinance Platform e-MFP, in partnership with Portail Findev, the objective of this webinar was to discuss how to assess the environmental performance of MFIs.

• **Webinar "Microfinance and Climate Change: why and how to adapt?"**

Organized in **May 2021** by Convergences and Portail FinDev, this webinar allowed speakers specialized in MFIs' climate resilience to discuss the best practices to adopt.

• **Webinar "One year of the Covid-19 crisis: What impact on microfinance and inclusive finance in West Africa?"**

In **June 2021**, this webinar brought together speakers from CGAP, Caurie Microfinance and COFINA Senegal. It made it possible to take stock of the impact of Covid-19 on the microfinance and inclusive finance sector. It was also an opportunity to discuss the future prospects of the sector and the resilience of its actors in the face of possible future crises.

• **The "Annual Conference of the European Microfinance Network"** was organized by the European Microfinance Network in Brussels (Belgium), **on 14-15 October**, with the leitmotif "Inclusive Finance for an Inclusive Future".

• **The 5th edition of the "African Microfinance Week" (AMW)** took place **on 18-22 October** in Kigali (Rwanda). This event was organized by ADA Luxembourg to encourage the development of financial inclusion in Africa, with the central theme being: "the resilience of the inclusive finance sector in Africa".

• **The "International Conference on Inclusive Insurance 2021"** was hosted online **on 25-29 October** by the Munich Re Foundation and Microinsurance Network. Discussions focused on how to accelerate the growth and economic viability of inclusive insurance in emerging markets.

• **"Financial Inclusion Week"** organized online by the Center for Financial Inclusion, **from November 1 to 4**, had as its main theme "Inclusive Finance: generating prosperity in uncertain times." Sessions focused on the ability of inclusive finance to help people mitigate the effects of the Covid-19 pandemic.

• **"European Microfinance Week 2021"** This event was organized online in **November 2021** by the European Microfinance Platform (e-MFP), with the support of the Luxembourg State.

• **National**

• **EIB and JAIDA signed a financing agreement to support microcredit activity through microfinance institutions (MFIs)**

This new perspective is in line with the European Investment Bank's (EIB) action for several years in favor of microfinance in Morocco, aimed at supporting the Moroccan economy, and more specifically micro-entrepreneurs, in the context of the Covid-19 crisis.

• Signing of a partnership agreement between JAIDA and the CMS

On **March 18, 2021**, CMS and JAIDA signed a partnership agreement aimed at strengthening the strategic relationship between the two institutions and developing joint actions to support the microfinance sector in Morocco.



• Celebration of the Arab Day for Financial Inclusion (ADFI)

As part of the celebration of the Arab Day for Financial Inclusion, commemorated on **April 27** each year, Bank Al-Maghrib organized, in collaboration with its partners, **from April 21 to June 2021**, webinars for the benefit of higher education students throughout the national territory. These meetings focused on two themes, namely "Digitalization: lever of financial inclusion" and "Entrepreneurship and financing of VSMEs". The CMS played a very active role, as it hosted webinars on Microcredit, Financial Education, the role and mission of the Center, etc.

• Organization of the National Micro-Entrepreneur Award

Organized respectively on **April 7** in Casablanca and **November 19** in Fez, the 7th and 8th editions of the National Micro-Entrepreneur Award were an opportunity to reward 58 deserving micro-entrepreneurs, including 33 women.



• Bill no. 50-20 relating to microcredit adopted by the House of Representatives

The House of Representatives adopted, on **June 22, 2021**, bill no. 50-20 relating to microcredit. This bill aims to expand the scope of microfinance institutions activity.

• Support measures by supervisory authorities

In order to support the Microfinance sector in its development and stimulate the recovery from the health crisis, the Moroccan supervisory authorities have taken multiple actions with a view to :

- set up a new guarantee fund aimed at facilitating access to financing for small and medium-sized micro-credit associations (MCAs) with outstanding loans of less than MAD 200 million;
- extend the flexibility of the provisioning rules and review the downgrading and write-off rules;
- renew the refinancing line;
- establish a compensation mechanism for the financial impacts of the crisis :
 - partial assumption of the intercalary interests on the postponement of the maturities loans for an amount of MAD 350 million borne by the sector;
 - adaptation of the partial unemployment scheme through the payment of an allowance of 2,000 dirhams for the branches staff.

• **Publications in 2021 :**

• **May :**

- "Policy guidance note – Impact of the Covid-19 crisis on employment and VSMEs in Morocco" by the African Development Bank Group;

• **June :**

- "Persistent credit risk: a threat to the solvency of microfinance institutions?" by the Grameen Credit Agricole Foundation, “Appui au Développement Autonome” (ADA) and Inpulse;
- "Morocco's Economic Situation Monitoring Report – Building momentum for reform" by the World Bank;

• **July :**

- "2021 Barometer of Social Entrepreneurship" by the French platform for thinking, advocacy and mobilization "Convergences";
- "The impact of the crisis on microfinance institutions" by the Grameen Credit Agricole Foundation, ADA, Inpulse;

• **September :**

- "2021 Impact Finance Barometer " by the "Convergences" platform;

• **October :**

- "Global Microfinance Market 2021-2025" and "Microfinance Market By Provider and End User: Global Opportunity Analysis and Industry Forecast, 2021-2030" by the U.S. "Research and Markets" platform;

• **December :**

- "Microinsurance in 2021": this "MicroInsurance Network" study covers 30 countries in Africa, Asia, Latin America and the Caribbean.

The background features a light gray geometric pattern of interlocking triangles. Overlaid on this are several colorful, complex geometric star shapes in shades of blue, yellow, and brown, some with white outlines and drop shadows, giving them a 3D effect. These stars are scattered across the page, with larger ones in the corners and smaller ones in between.

SKILLS SUPPORT

In 2021, despite the challenging context of the microfinance sector in Morocco related to the negative impacts of Covid-19, Moroccan microcredit associations pursued their capacity-building efforts for their staff and clients.

To support the sector, CMS has adapted the content and distribution channels of the Training programs to the constraints faced by its partners by prioritizing trainings delivered on recovery and planning to overcome this crisis situation.

During the first months of the year 2021, remote or E-learning (via its dedicated platform) sessions prevailed over face-to-face ones, both for the benefit of the staff and the clients of the MCAs.

A- Diagnosis and Training Engineering 2021

The diagnosis and training engineering carried out remotely during the last quarter of 2020 concerned all the microcredit associations (MCAs) and made it possible to evaluate the actions of 2020 and to detect the training needs for the year 2021.

The detected needs can be summarized as follows:

- MCA leaders welcomed the results of studies conducted by CMS to assess the impact of the Covid-19 health crisis on Moroccan MCAs, their clients and employees;
- The distance learning program adopted during this period, whose topics were adapted to the world critical situation in 2020, facilitated learning and the development of the skills of both clients and employees;
- Training needs are generally recurrent with new specific or innovative demands such as Green Finance, Digitization, Crisis Management.

B- The main training areas for 2021

• Integration Program through Economic Activities

1-Training for Micro-Entrepreneurs, IGAs and Cooperatives

In partnership with the Mohammed V Foundation for Solidarity (FMV), the Region of “Grand Casablanca” and various socio-economic actors, the Mohammed VI Center for Solidarity Microfinance has actively participated in the selection of project leaders, Income Generating Activities (IGA) and Micro-Enterprises (ME) for the promotion of the year 2020. This initiative concerned the cities of Casablanca, Settat, Berrechid, Mohammedia, Benslimane, Sidi Bennour and El Jadida.

269 beneficiaries were selected, of which 77 from microfinance and 55 cooperatives.



A training engineering was carried out in partnership with REEM Mobadarat and the Mohamed V Foundation, to set up a training plan to strengthen the managerial capacities of this operation beneficiaries.



As of December 31, 2021, the outcome was as follows :

Modules	Number of training days	Number of people trained	PTD(*)
Financial Education	14	153	306
Personal development	8	96	192
Total	22	249	498

(*) PTD : Participant Training Days (number of people trained x number of training days)

• **MOAZARA I Training**

Within the framework of the MOAZARA Program aimed at contributing to the financing of innovative projects, the Ministry of Tourism, Handicrafts, Air Transport and Social Economy, represented by its Department of Social and Solidarity Economy (SSE), in partnership with the councils of the various regions and partners from the public and private sector, has launched the first edition of this program, with a view to support SSE actors for the post-Covid 19 economic recovery.

This program is intended for associations that must be carriers of high added-value entrepreneurial development projects with sustainable and measurable socio-economic impacts, intended for the creation of at least one cooperative per project in the fields of SSE.

The CMS presented its service offer and was able to benefit from the realization of part of this call for application for the benefit of women's cooperatives:

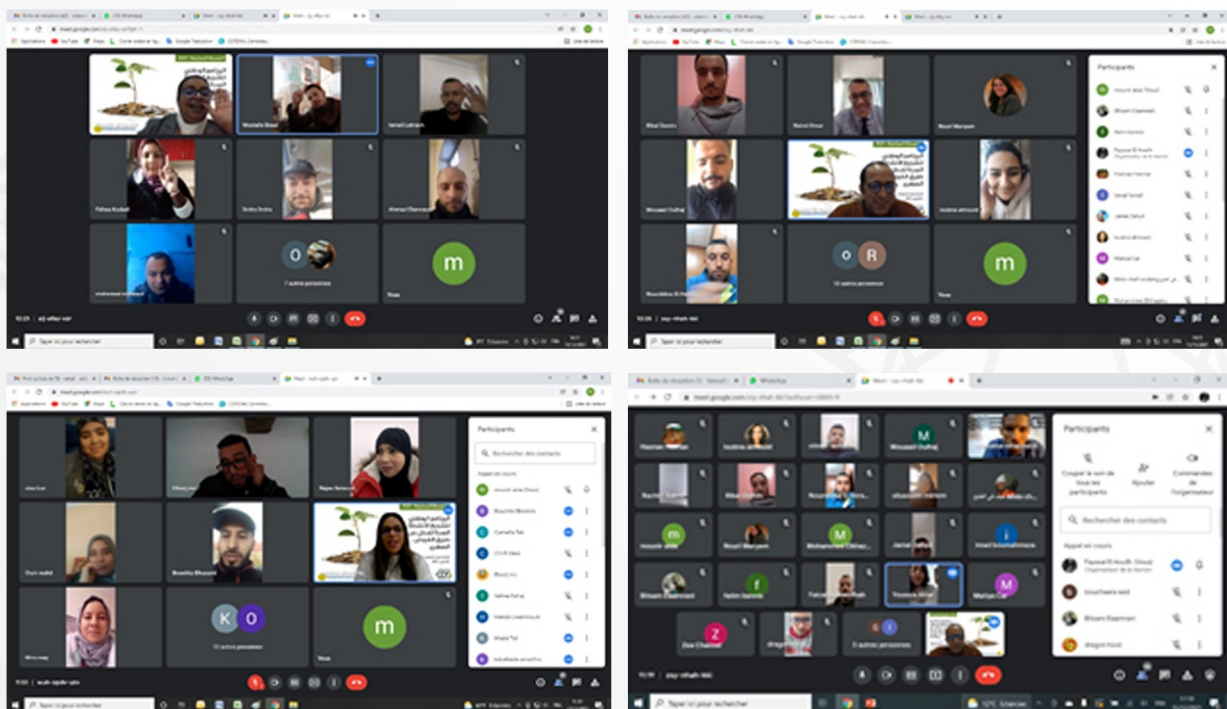
Theme	Place	Number of people trained	Number of training days	PTD(*)
Digitalization	Fès & El Jadida	60	4	120
Sales techniques	Fès & El Jadida	60	2	60
Strategic Marketing / Procedure for obtaining a label	Fès & El Jadida	60	2	60
International Trade & Incoterms	Fès & El Jadida	60	2	60
Total		240	10	300

(*) PTD : Professional Training Days



- **Training of the winning Micro-Entrepreneurs of the 7th Edition of the National IGA Support Program (CDG Foundation Award)**

This training took place remotely and could reach all **200 laureates** throughout the country.



- **Training during the Solidarity Bazaar in M'diq**

Training initiatives were scheduled from July to September 2021, during the first edition of the "Solidarity Bazaar", for the benefit of **150 micro-entrepreneurs and cooperatives**.



• Training of the winners of the National Micro-Entrepreneur Award

Within the framework of the "National Micro-Entrepreneur Award", the CMS organized in Casablanca and Fez, training sessions in Financial Education and Sales Techniques for the benefit of the **58 winners** of the 7th and 8th editions.

2- AMC Staff Training

New trainings

• Green Finance Training

Being responsive to the needs of the sector, the CMS was able, through its partnership with JAIDA and Microfinanza, to organize a series of innovative and relevant trainings on Sustainable Development and Green Finance.

During 3 seminars totaling 6 modules, the CMS offered participants detailed content on the implementation of a Green Finance and Sustainable Development policy, from the introduction to the development of a strategy.

Designation	Modules	Period	Number of training days	Number of participants	Place
Seminar 1	Introduction to Green Microfinance	July 13 to 14, 2021	2	7	CMS Casablanca
	Environmental performance in Microfinance				
Seminar 2	Environmental risk in Microfinance	October 21 to 22, 2021	2	7	CMS Casablanca
	Environmental impact in Microfinance				
Seminar 3	Inclusive Green Services	December 09 to 10, 2021	2	8	CMS Casablanca
	Strategy & Environmental Policy				
Total			6	22	

• Training of trainers "Management of risks inherent to the micro-enterprise"

In view of the implementation of the National Strategy for Financial Inclusion (NSFI) and being a member of the reflection committee, the CMS had to accompany the Moroccan microfinance sector through programs that will prepare the human resources of the sector for the various changes.

Within the framework of the project "Support Program for Very Small, Small and Medium Enterprises – Taahil Al Moukawalat" (TAM III Project), the CMS has carried out a distance training for 15 trainers during 16 days in February and March 2021. The following 9 modules were developed: Management of the VSE's failures; Risk Management and Internal Control; Adaptation of Microfinance products to the VSE; Development of the Business Plan; Analysis of the Information System; Experiences of other countries on the management of crisis situations; Strategic aspects; Cost control; Animation techniques.



• Training of trainers – Moroccan Foundation for Financial Education

In partnership with the Moroccan Foundation for Financial Education (MFFE), CMS organized a training of 15 trainers on Financial Education, from May 17 to 20, 2021, for the benefit of its training staff and that of Moroccan microcredit associations (MCAs).

At the end of this training cycle, this action was deployed during the year 2021 to **629 micro-entrepreneurs** (IGAs + cooperatives) and 37 trainers, staff of Moroccan MCAs.



• TAM III Modules on the E-Learning Platform

Within the framework of the Deauville Project financed by the World Bank and the Ministry of Finance, and at the end of the TAM III project, the CMS proceeded, in partnership with the IDEO Factory firm, to the production of capsules and e-learning modules on the following themes:

- Risk management and internal audit;
- Adaptation of Microfinance products to the VSB;
- Development of the Business Plan;
- Cost control.

This project will facilitate remote learning for the staff of Moroccan micro-credit associations and will add to the already well-stocked pedagogical package of online training.

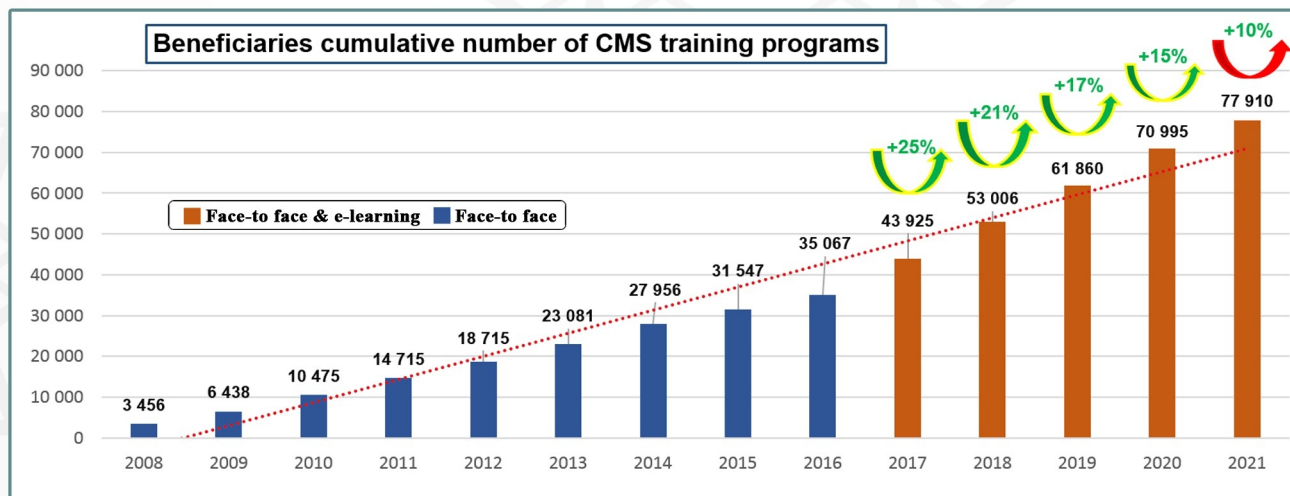
C- Quantified achievements of the 2021 Training Plan

A total of **6,915 people** benefitted from CMS training programs in 2021. The table below details the number of CMS training programs beneficiaries, whether they are agents of Moroccan microcredit associations (MCA) or Micro-Entrepreneurs (ME).

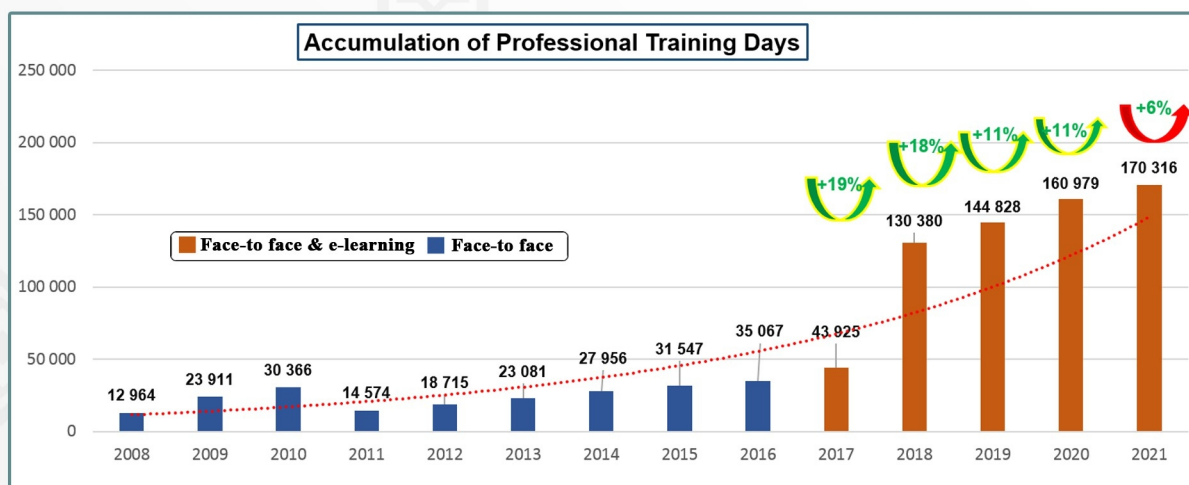
Designation	Number of training days	Number of participants	PTD(*)
Specific and planned trainings of MCAs Agents	448	583	2.623
Training of Micro-Entrepreneurs (ME)	62	1.267	1.769
Consulting & Training Engineering	111	1.808	2.123
Logistical support	45	877	1.432
E-learning training of MCAs Agents & ME	1.390	2.380	1.390
Total	2.056	6.915	9.337

(*) PTD : Participant Training Days (number of people trained x number of training days)

The following two graphs show the evolution of the cumulative number of CMS training actions beneficiaries and their equivalence in professional training days, over the 2008 – 2021 period.

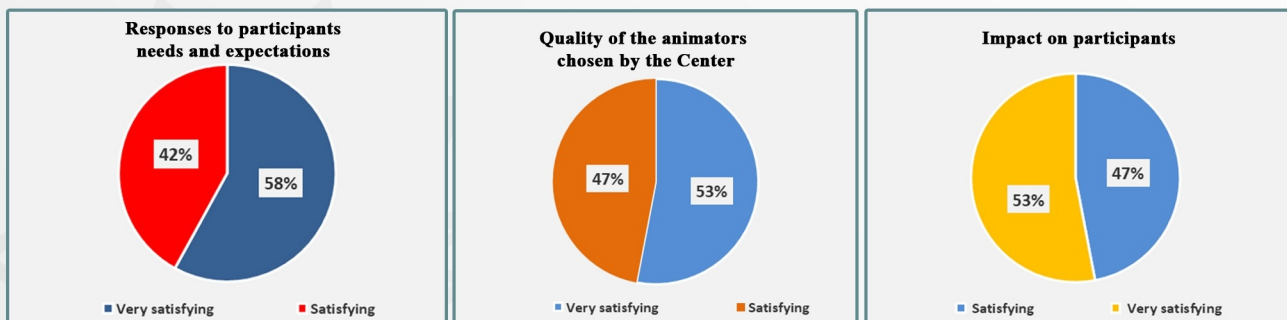


The cumulative number of CMS training actions beneficiaries between 2008 and 2021 reached a total of **77,910 people**, an increase of 10% over the previous year.



D- Evaluation of training actions 2021

A survey of beneficiaries of training provided by the CMS in 2021 shows excellent results in terms of learner expectations, quality of trainers and impact on participants.



The background of the slide is decorated with various geometric patterns, primarily star-like shapes. These patterns are composed of overlapping triangles and lines, creating a complex, symmetrical design. The colors used in these patterns include shades of blue, yellow, orange, and teal, set against a light gray background. Some patterns are solid, while others are outlines. The patterns are scattered across the slide, with a higher concentration in the top right and bottom corners, and a few faint, larger patterns in the center background.

BUSINESS DEVELOPMENT AND PROMOTION OF MICROENTERPRISE

In terms of microenterprises promotion and support, the CMS continued to provide its expertise and support to beneficiaries of the microfinance sector through various events, including the following:

- **Organization of the 7th Edition of the "National Micro-Entrepreneur Award"**



A total of **27 winners, including 15 women**, were awarded for the originality and success of their micro-projects during the 7th edition of the **National Micro-Entrepreneur Award (NMEA)** which took place on April 7, 2021 in Casablanca in hybrid mode (face-to-face and remotely), at the initiative of CMS and FNAM. A total of **425,000 dirhams** were distributed to all the winners.



This edition, which saw the participation of **116 candidates in total, of which 53% women**, was organized with the support of the Citi Foundation, the Credit Agricole Group of Morocco, the Banque Populaire Group, the CDG Foundation and Al Amana Microfinance Association.

• Launch of the 1st Edition of the Solidarity Bazaar in M'diq



The first edition of the "Solidarity Bazaar" was organized by the CMS in M'diq, from July to September 2021, around the theme: "Marketing support, training and promotion of microfinance".



This event had the ambition to offer new perspectives to micro-enterprises, very small businesses (VSBs) and cooperatives, to promote and support the marketing of products and services of microcredit beneficiaries, to mitigate the impact of Covid-19 on their activities, and to contribute to the promotion of the tourism dynamics of the coastal strip "Tamuda Bay" of the M'diq-Fnideq region.

The "Solidarity Bazaar" welcomed about **30,000 visitors** and saw the participation of **150 exhibitors** who benefitted from microcredit and the integrated economic initiatives program of the M'diq-Fnideq Province. This initiative has also created, in the region, **a hundred** direct and indirect **seasonal jobs** for young people who were able to help exhibitors as sellers or technicians.

The beneficiaries of this space have achieved a significant turnover and some exhibiting micro-entrepreneurs have been able to sign important deals on the spot with local wholesalers.

In parallel to this event, a study of the impact of microcredit and a census of the training needs of micro-entrepreneurs were carried out by the CMS teams with 120 beneficiaries of the "Solidarity Bazaar".



• Organization of the 8th Edition of the "National Micro-Entrepreneur Award"



31 candidates, including 18 women, were awarded for the originality of their micro-projects at the **8th edition of the National Micro-Entrepreneur Award (NMEA)**, organized on November 19, 2021 in Fez.

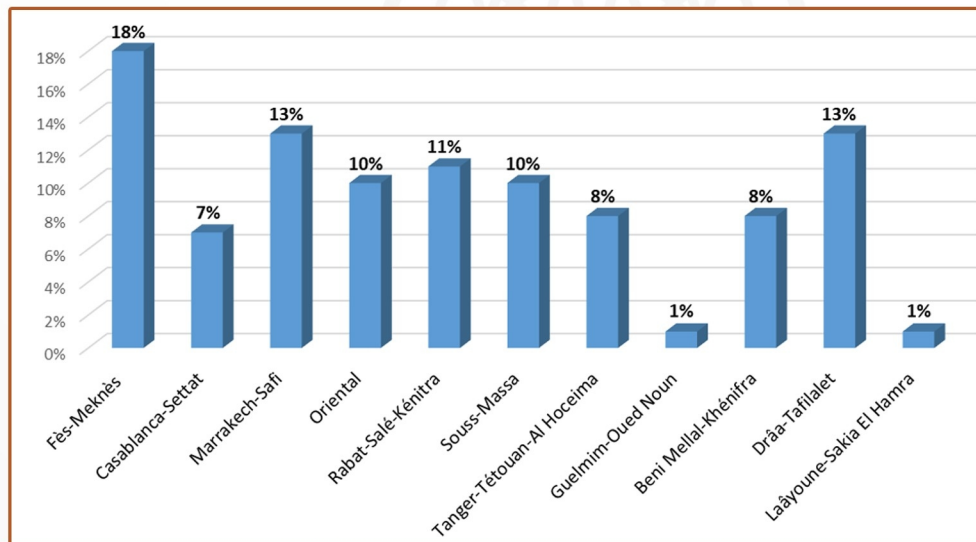
A total of **465,000 dirhams** was distributed to all the winners.

This edition of the NMEA saw the participation of **146 candidates, 48% of whom were women**.

Illustration of the 8 editions of the NMEA in a few graphs

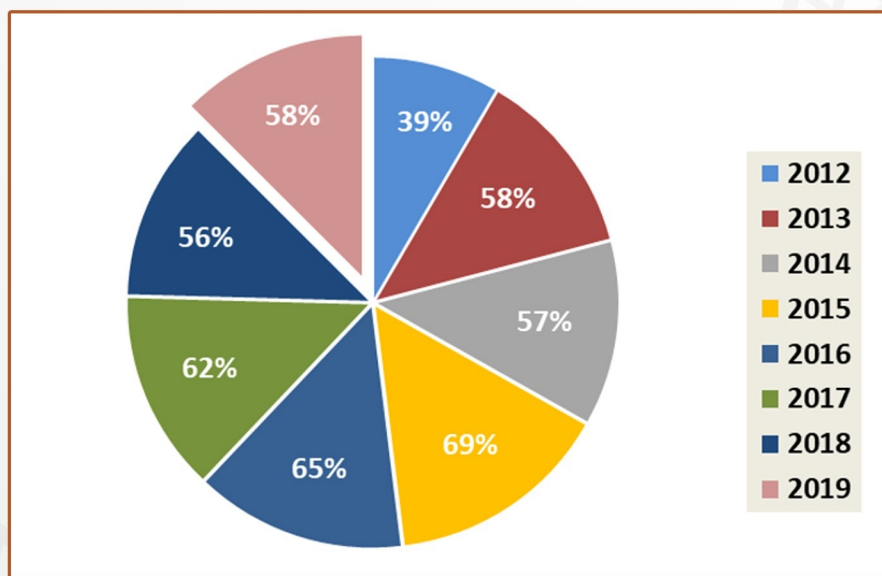
Since 2012, the **222 winners** of the 8 editions of the NMEA received an aggregate bonus amount of **MAD 3.375 million**. The awardees are distributed as follows:

Cumulative winners of the NMEA by region



The share of **women awarded** in each edition is represented by the graph below; **86 laureates**, i.e. **39%** of the overall number throughout the 8 editions.

Percentage of award-winning women



• Integration Program through Economic Activities (IPEA)

Initiated by the Mohammed V Foundation for Solidarity and the Region of Casablanca-Settat, in partnership with the CMS, the Program for Integration through Economic Activities (IPEA) aims to provide micro-entrepreneurs, especially clients of

Microcredit Associations (MCAs), with a subsidy in the form of equipment acquisition, and to encourage new project leaders eligible for the program to benefit from MCA products and services.

This support comes as part of the fight against precariousness, promoting the economic and financial inclusion of beneficiaries and consequently their integration into the socio-economic fabric. The CMS participated in the selection of project leaders, Income Generating Activities (IGA) and micro-enterprises.

This year, the IPEA winners numbered **269**, including 214 IGAs and 55 cooperatives. Among them, **77 micro-entrepreneurs**, including 23 women (30%), were able to benefit from the acquisition of equipment worth over **1.9 million dirhams**.



• IGAs' National Supporting Program

Launched in July 2021 by the CDG Foundation, the seventh edition of this program has seen the participation of **413 micro-project holders** located in the different regions of the Kingdom, that is **+83%** compared to the previous edition. The evaluation of these applications by the jury has led to the final selection of **200 micro-projects (39% of which carried by women)**, i.e. **+23%** compared to the sixth edition.

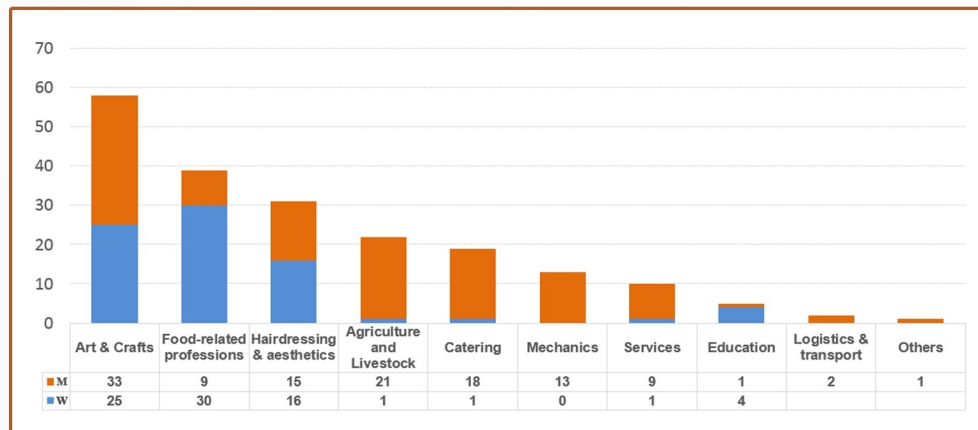


In December 2021, the winners received financial aid in the form of grants totaling **MAD 2.7 million**.

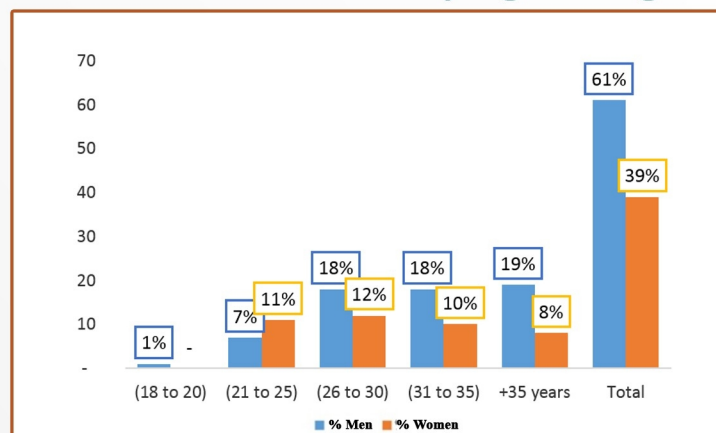
Since 2015, the CDG Foundation has distributed financial aid to **785 beneficiaries** in the Microfinance sector for a total of **MAD 12.4 million**.

The following tables represent the winners broken down by industry, age and gender, and by region.

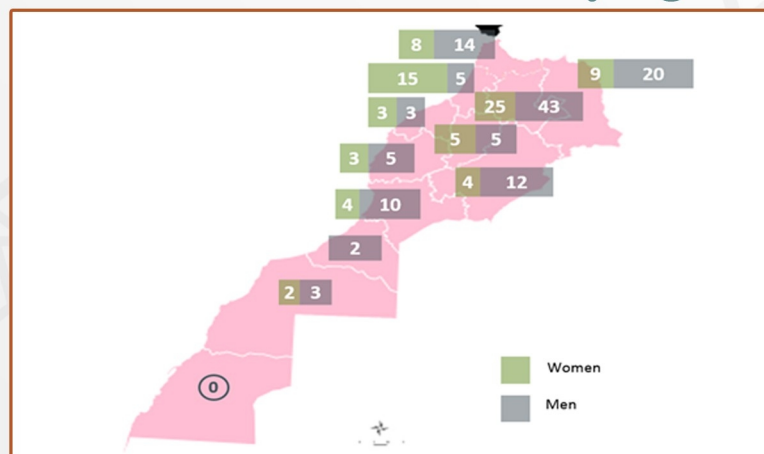
Distribution of candidates by sector of activity



Breakdown of winners by age and gender



Distribution of candidates by region

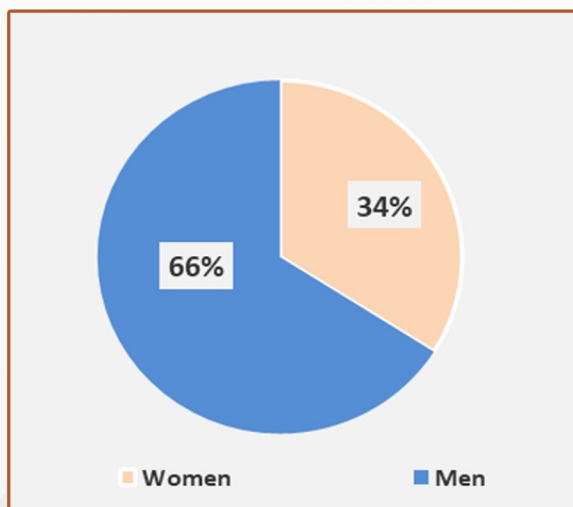


• Audit missions of the IGAs' National Supporting Program laureates

The Mohammed VI Support Center for Solidarity Microfinance (CMS), in partnership with the JAIDA Fund and the CDG Foundation, was able to conduct, from May 24 to June 03, 2021, audit missions to the winners of the 2018, 2019 and 2020 editions of the IGAs' National Supporting Program, based on a questionnaire and visits to the activity premises of the said winners.

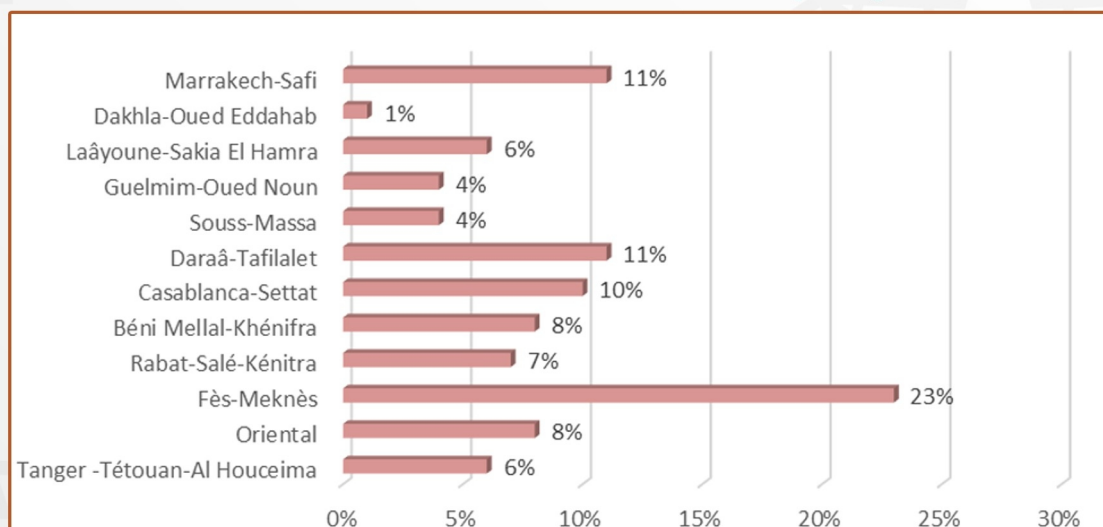
73 laureates, from different regions of the Kingdom, were able to be visited. Here are some indicators :

Distribution of respondents by gender



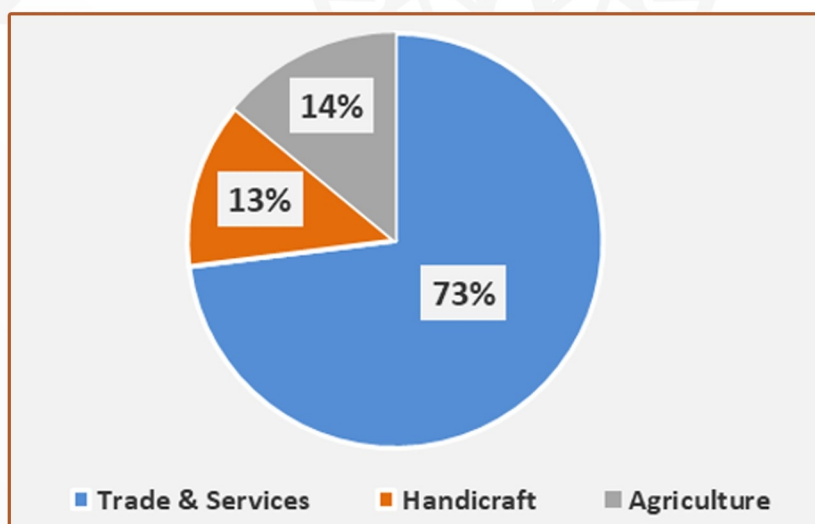
The laureates visited are represented by **66% men** and 34% women.

Distribution of award winners by region



The region most represented by the surveyed population is that of **Fès-Meknès (23% of winners)**, followed by the Marrakech-Safi and Draâ-Tafilalet regions (11% each).

Distribution of winners by sector of activity



The surveyed laureates work in the **trade and services** sector (**73%**), agriculture (14%) and handicraft (13%).

The findings of this study are presented as follows :

- 25% of the winners reported a 10% to 40% increase in their turnover before the pandemic;
- 82% of awardees confirmed that they have seen their business slow down due to Covid-19;
- 64% of respondents said they had received support from Moroccan Micro-Credit Associations (MCAs);
- 70% of the laureates declared a break in their activity for a period ranging from 3 to 6 months;
- 92% of respondents say they are loyal to their MCA.

The background features a light gray geometric pattern of interlocking triangles. Overlaid on this are several colorful, complex geometric star shapes in shades of blue, yellow, and brown, some with white outlines and shadows, giving them a 3D effect. These stars are scattered across the page, with larger ones in the corners and smaller ones in between.

MICROFINANCE OBSERVATORY

Several studies have been carried out in this sense with a view to improving the impact of actions carried out in favor of the microfinance sector at the national level and to make a diagnosis of the support provided to micro-entrepreneurs. By way of example, we cite the study conducted to evaluate the impacts of the CDG Foundation Prize on the beneficiaries winners as well as the impact of Covid-19 on the activities and socio-economic conditions of the said laureates.

The CMS has ensured the dissemination of several "monthly dashboards" and "quarterly trend notes" allowing the analysis and monitoring of the microfinance sector in Morocco.


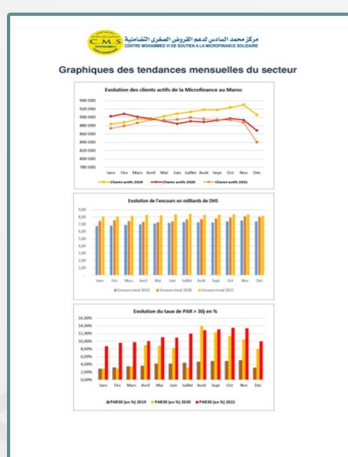

 مركز محمد السادس لدعم القروض المصغرى التشاركية
 CENTRE MOHAMMED VI DE SOUTIEN A LA MICROFINANCE SOLIDAIRE

Tableau de bord mensuel de la Microfinance au Maroc

11 NOVEMBRE 2019
 11 NOVEMBRE 2019

[illegible]

- Quarterly dashboard of the industry trends in Morocco



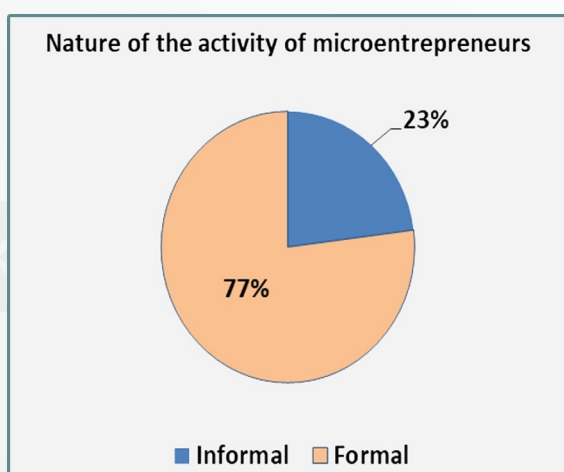
The CMS has produced 4 reports on the 2021 trends, which describe the quarterly situation of the sector illustrated by graphs for monitoring and tracking purposes. These reports are a synthesis of the main indicators communicated to the Microcredit Associations (MCAs), facilitating analysis and monitoring.

- **Evolution of indicators by MCA and microcredit sector**

In December 2021, the Observatory set up a descriptive report on the evolution of the microcredit sector indicators detailed for each microcredit association (MCA).

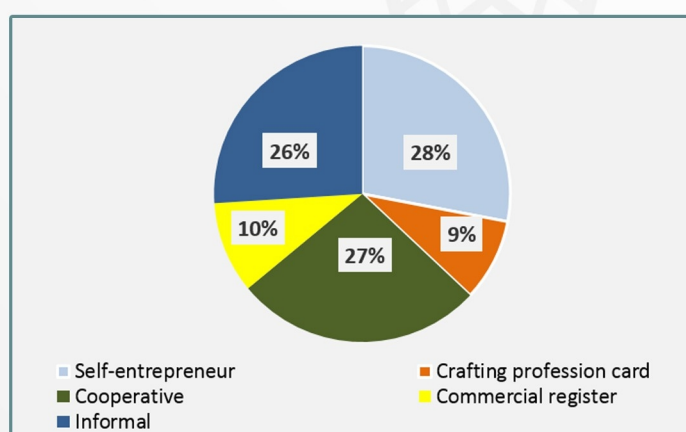


- **Conducting the Covid-19 post-containment impact survey on microcredit and training programs of CMS**

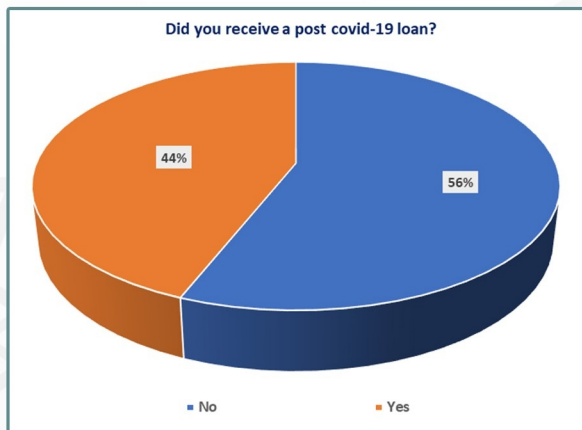


During the period spanning from July to September 2021 and as part of its program to monitor and evaluate the socio-economic impact of the health crisis in Morocco, the CMS developed a questionnaire on the post-containment impact of micro-credit and training programs of CMS on micro-entrepreneurs participating in the first edition of the Solidarity Bazaar that took place in M'diq.

The main objective of this survey was to establish an inventory of the effects of the pandemic among 104 micro-entrepreneurs and to elaborate a synthetic report of the main results.



The main findings that came out of the survey are outlined below :



- 74% of the micro-entrepreneurs interviewed stated that they were operating in the formal sector;
- 56% of the micro-entrepreneurs reported they did not take any loan after the containment period, 38% had one loan, 3% had two loans and 3% had three loans.
- Only 7% chose to diversify their activities during the post-containment period.



The background features a light gray geometric pattern of interlocking triangles. Overlaid on this are several colorful, complex geometric star shapes in shades of blue, yellow, and brown, some with white outlines and drop shadows, giving them a 3D appearance. These stars are scattered across the page, with larger ones in the corners and smaller ones in between.

COMMUNICATION & PARTNERSHIPS

Communication continued to support the various projects undertaken by the CMS during the year 2021, including the preparation of the 7th and 8th editions of the National Micro-Entrepreneur Award (NMEA) and the 1st edition of the "Solidarity Bazaar".

• Communication

In terms of communication, this support has materialized, among other things, by supporting the CMS in carrying out its actions:

- Mobilization of the main national media for a wide coverage of the different events organized by the CMS;
- Supervision of communication work with internal and external partners;
- Broadcast of the electronic newsletter "Sector News Flash" on the CMS website.

• Partnerships and Networking

As part of the promotion of CMS activities and the development of relationships with various national and/or international actors, future partnerships have been explored in 2021 with the following organizations :

- The European Union;
- The European Bank for Reconstruction and Development (EBRD);
- ADA Luxembourg;
- The Swiss Foundation for Technical Cooperation "SwissContact".

A- Participation in the African Microfinance Week



- The Mohammed VI Support Center for Solidarity Microfinance was invited by the Luxembourg Cooperation "Support to Autonomous Development" – ADA Microfinance to attend the African Microfinance Week which took place in Kigali (Rwanda), from October 18 to 22, 2021.

- These invitations which materialize the strong relations between these two prestigious organizations constitute an enhancement for the CMS, a recognition of its professionalism through the services it delivers, the role played within the Microfinance sector, the development of the inclusive economy, the protection of the consumers and the poor population in general.

- It is for these different reasons that the Mohammed VI Support Center for Solidarity Microfinance, wishes to maintain the partnership links with ADA and to create new ones with the participants from different regions of the world who attended this conference, in order to allow the sector to benefit from relevant programs for the underprivileged population, mainly the micro-entrepreneurs who are beneficiaries of Moroccan microcredit associations.



- This partnership will materialize through training, support and above all the financing of certain projects, such as: Sustainable Development Goals (SDGs), Financial Education, Training and support for agents of microcredit associations and micro-entrepreneurs, Risk Management,...
- The CMS considers that responding favorably to these invitations will have, in the future, very beneficial impacts that will allow it to carry out certain actions of its 2021-2023 Development Plan for the benefit of the Sector.
- The added value produced by the participation of the CMS management teams in this prestigious conference, allowed to :
 - raise skills in Digital Finance and Social Performance; ensure a better understanding of the concept of Resilience in Inclusive Economy;
 - organize exchanges and contributions on current topics (Customer Protection, Gender, e-Money, Inclusive Economy, Digitalization,...);
 - better network the Microfinance sector in Morocco and in particular the CMS, by seeking new partnerships, and participation in various programs for the benefit of poor populations and excluded from the conventional financial system;
 - hold working sessions with the various partners of the CMS and especially ACCION Internationale, ADA managers, Social Performance Task Force (SPTF), CRESUD, CARITAS ITALIANA,...

B- Affiliation to the Microfinance African Institutions Network "MAIN"

The CMS is now a member of the prestigious network "Microfinance African Institutions Network" (MAIN); this affiliation will allow it to be more visible at the African and international levels and to better support the microfinance sector in Morocco.

The "MAIN" is an international non-profit association created in 1995 in Abidjan by the initiative of several institutions (CERUDEB, SIPEM, SIDI, FIDI & IDM) with long experience in microfinance and/or microenterprise promotion in Africa. As of December 31, 2021, MAIN had 118 members in 28 countries including Morocco with Jaida, CMS, Attadamoune Microfinance, Atlantic Microfinance For Africa and Al Amana Microfinance.

The Network brings together MFIs, national networks, NGOs active in microfinance, cooperatives, farmers' organizations, banks and "resource" organizations (universities, social investors, ...). Its member institutions reach more than 14 million beneficiaries through their financial and non-financial services.

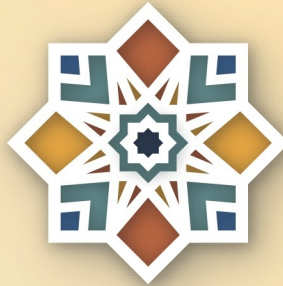
The objectives of this partnership are to :

- strengthen the operational and managerial skills of the human resources, the national microfinance sector's clients, in partnership with renowned national and foreign actors;
- develop Communication and Partnerships with a view to increasing the awareness and the national and international outreach of the Microfinance and Inclusive Economy sector;
- accompany and provide support to MFI clients and micro-entrepreneurs;
- launch and monitor projects with a sectoral scope, monitor, support of researchers, in partnership with the MAIN Network in Africa and in the world.





مركز محمد السادس لدعم القروض الصغرى التضامنية
MOHAMMED VI SUPPORT CENTER FOR SOLIDARITY MICROFINANCE



Hay Chabab, Rue Baamrani, Ain Sebaa, 20400
Casablanca, Maroc

Tel: +212 5 22 73 90 89 / +212 6 61 26 43 96

Fax: +212 5 22 73 79 33

www.cm6-microfinance.ma