



WORKING PAPER

The Social and Solidarity Economy (SSE) in Morocco

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Abstract

Evidence from developing and developed countries shows a significant impact of cooperatives, as Social and Solidarity Economy (SSE) entities, on formal job creation.

The Social and Solidarity Economy (SSE) in Morocco promotes social and economic development. A ten-year strategy was adopted in 2010 to encourage the development of economic activity within the framework of the social and solidarity economy.

There is very little research on the SSE in Morocco and, to our knowledge, there is no evaluation on its impact on employment. This paper provides a better understanding of the Social and Solidarity Economy (SSE) in Morocco, its main dynamics and impact on employment.

Our aim in this paper is to evaluate the SSE's capacity to create and to facilitate the transition from informal activity to the formal economy. We conduct a quantitative and qualitative Survey and discuss some crucial challenges and weaknesses that SSEs face. Our results highlight that SSE structures have gained the capacity to create jobs after their first year of activity. The SSE becomes a catalyst of social change by providing decent income opportunities for both men and women.

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INTRODUCTION

The Social and Solidarity Economy (SSE), in Morocco, is thought to be a sector that can drive inclusive social and economic development. A ten-year strategy was adopted in 2010 to encourage the development of economic activity under the Social and Solidarity Economy.

The Social Economic and Environmental Council (CESE) develops, implements and follows initiatives within this strategy, and has been producing annual reports on the development of the SSE in Morocco since 2010. The definition of the SSE adopted by the CESE, and the one we consider for this study is the following:

“The social and solidarity economy is the whole of the economic and social activities organized in the form of formal structures or groups of natural or legal persons with an aim of collective and societal interest, independent and enjoying an autonomous, democratic and participatory and where membership is free. The Social and Solidarity Economy also includes all institutions with a primarily social purpose, proposing new economically viable and inclusive models by producing goods and services centred on the Human element and inscribed in sustainable development and the fight against poverty exclusion”. Social Economic and Environmental Council (CESE)³.

Much like many countries in its region, Morocco’s labour market is mainly characterised by the existence of a significant informal sector, high unemployment rates amongst the young (26,8%), graduates (17,8%) and women (17,8%) (HCP, 2020). In this context, Social and Solidarity Economy bodies can become potential creators of employment and economic opportunities - all whilst maintaining a framework of social cohesion and well-being. During the past decade, the Moroccan government emphasised its commitment to strengthening the sector and providing a regional framework for the development of the Social and Solidarity Economy.

Recent studies covering the productivity dynamics have noted significant structural transformations, the main one being the decline in informal employment. Whilst the elasticity of employment, with respect to growth, has decreased over the last decade (2009-2017) from 0.2 to 0.1, we observe the maintenance at an intermediate level of the increase in employment relative to growth for the self-employed, a downward trend for informal employment and an increase in the elasticity of formal employment with respect to growth.

Our research seeks to provide a better understanding of the SSE in Morocco, its key dynamics and impact on employment. We surveyed entities within the social and solidarity economy in Morocco, covering the period from 2018 to 2019, about their economic activity,

³ Conseil Économique, Social et Environnemental (CESE), 2015, Auto-saisine n°19/2015, Avis du Conseil Économique, Social et Environnemental, « Économie Sociale et Solidaire : un levier pour une croissance inclusive », p.7. <http://www.ces.ma/Documents/PDF/Auto-saisines/2015/as19/avas19f.pdf> p.7

access to financing, to governmental support and the challenges they faced. We were also able to collect information on those that seized to exist due to the current pandemic.

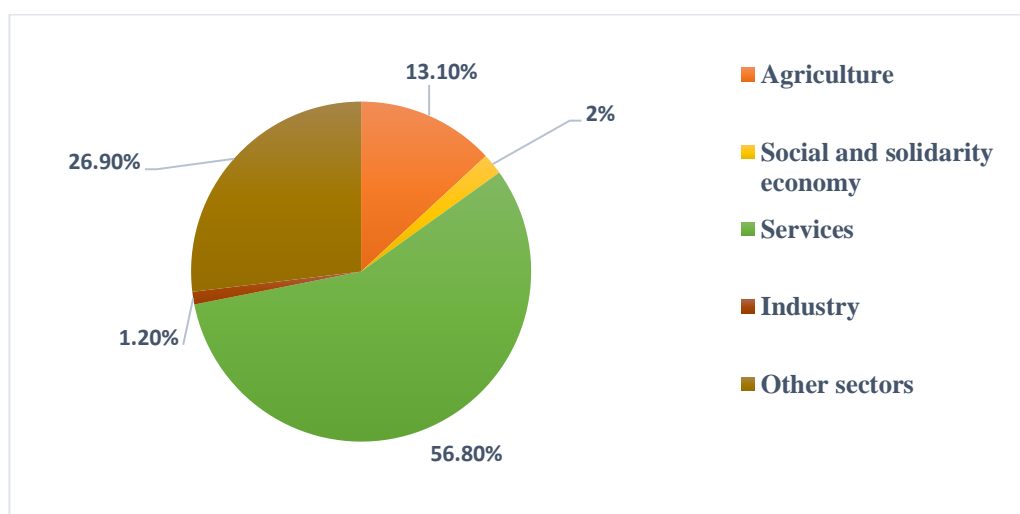
The paper is organised as follows. In Section 1, we briefly present the SSE context in Morocco. Section 2 will assess the development of SSE and its impact on informality.

SOCIAL AND SOLIDARITY ECONOMY CONTEXT IN MOROCCO: LEGAL, INSTITUTIONAL FRAMEWORK & DATA

Social and Solidarity Economy context

Although Morocco has adopted a nationwide strategy from 2010-2020 to support Social and Solidarity Economy initiatives, very few developments have taken place within the sector. In fact, the SSE sector only contributes about 2% of Morocco's GDP and only employs 5.5% of the active population (CESE, 2017)⁴. The attained results fall behind the desired outcome of a 3.9% contribution to GDP and an employment level of 7.5% of the active population. Figure 1 below, compares the contribution of the SSE sector to GDP with other key economic sectors in Morocco.

Figure 1- Social & Solidarity Economy contribution to GDP compared to key economic sectors



Source: various, 2017⁵

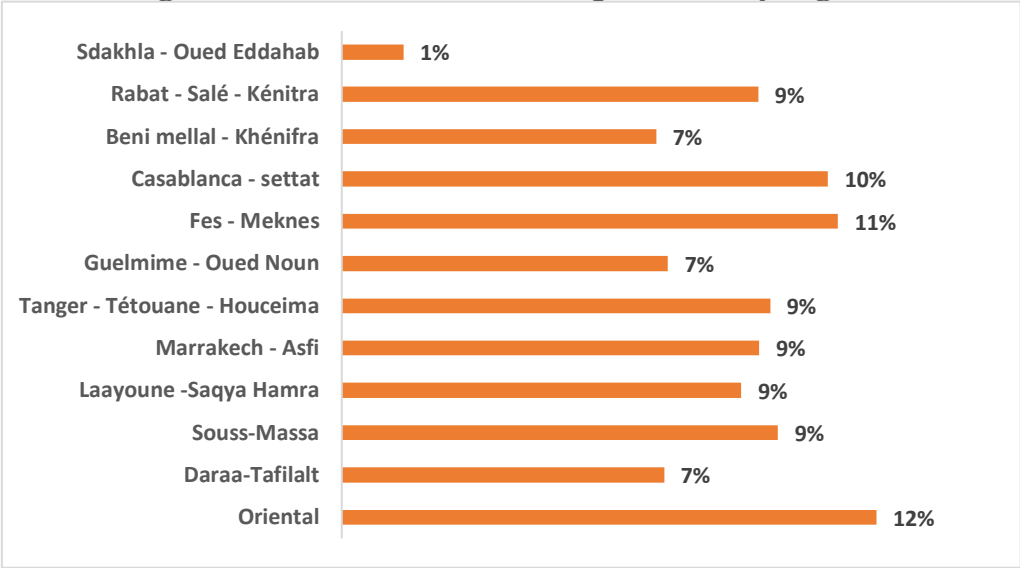
⁴ CESE, 2017, « Synthèse du Rapport Annuel », Situation économique, sociale et environnementale en 2017, pp.6-10 <http://www.cese.ma/Documents/PDF/Rapports%20annuels/2017/SRA2017f.pdf>

⁵ CESE, 2017, « Synthèse du Rapport Annuel », Situation économique, sociale et environnementale en 2017, pp.6-10 <http://www.cese.ma/Documents/PDF/Rapports%20annuels/2017/SRA2017f.pdf>

The Social and Solidarity Economy (SSE) in Morocco

As for the geographical concentration, Social and Solidarity Economy entities are present in just about every region in the country. An example of this is the spread of cooperatives across Morocco, such as Agriculture cooperatives, which are mainly concentrated in the agricultural regions of Doukkala Abda, Souss-Massa and Meknes Tafilalet, whilst the Oriental and Artisanry cooperatives are mainly concentrated in regions such as Fes-Meknes.

Figure 2 - Concentration of cooperatives by regions

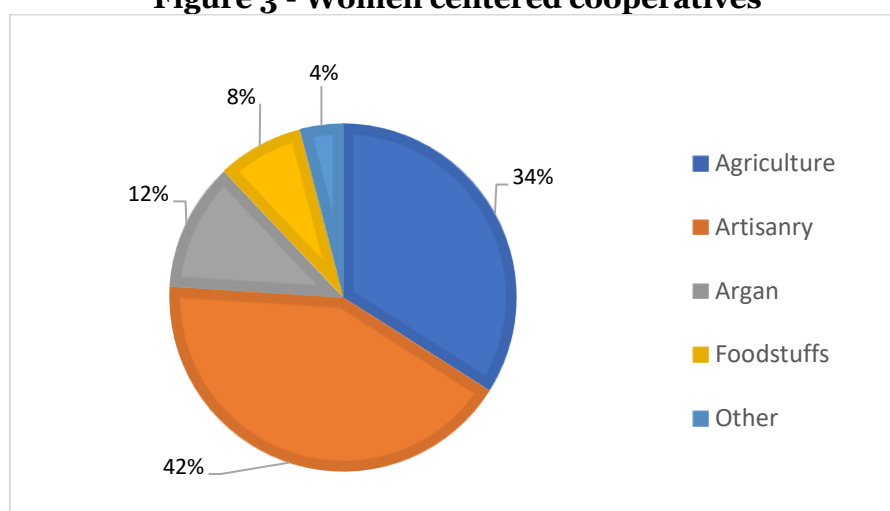


Source: ODCO,2018

The nationwide trend highlights a strong development of SSEs led by women and/or created for women that, besides providing access to economic opportunities, also enroll them in skills development and literacy programmes. To illustrate this, women-centred cooperatives represent around 14% of total cooperative bodies (ODCO, 2015). The figure below shows a concentration of female cooperatives in Artisanry (42%), followed by Agriculture (34%), and the collection and transformation of Argan (12%). It must be stressed that these are activities usually performed by women, which partially explains their strong presence in such SSE entities.

Société Générale, « Maroc : Les indicateurs économiques ». <https://import-export.societegenerale.fr/fr/fiche-pays/maroc/indicateurs-croissance>

Figure 3 - Women centered cooperatives



ODCO, 2015

As for the legal framework, the Social and Solidarity Economy does not have an appropriate legal structure for the whole sector. Nevertheless, the law n° 112.12 provides a legal framework for cooperatives as well as for the Office for Cooperation Development (the official institution looking over the cooperatives). As for associations, the Dahir n°1-58-376, provides the legal framework for their activities.

Social and Solidarity Economy actors in Morocco

The context surrounding the development of the Social and Solidarity Economy in Morocco provides very few favourable conditions. The main challenge lies in the poor, or non-existent coordination between institutions who are supposed to develop the sector. Moreover, the National Strategy for Social and Solidarity Economy 2010-2020, was established to provide a common vision for the existing governmental and non-governmental entities operating in the sector. Introduced by the Ministry of Economic and General Affairs, the 2020 strategy for Social and Solidarity Economy has four main objectives:

- Reinforcing and harmonizing public activity in the Social and Solidarity Economy, at national and regional levels;
- Encouraging the emergence of a performing and structured Social and Solidarity Economy, able to fight against poverty, vulnerability and social exclusion;
- Contributing to an integrated, territorial development founded on the rational exploitation and valorization of local resources and potential;
- Enhancing knowledge and visibility of the Social and Solidarity Economy.

The complex institutional scenery of the Social and Solidarity Economy can be presented in two main categories: governmental and non-governmental institutions.

Governmental SSE institutions

- **Trans-sectoral departments**

The trans-sectoral departments are departments inside governmental institutions that are in charge of Social and Solidarity Economy related issues. The main department is within the Ministry of Economic and General Affairs and is primarily involved in activities related to the Social Economy. The department promotes the Social and Solidarity Economy sector through its active entities, such as cooperatives, mutuals and associations, and conducts studies along with other interested institutions and administrations⁶. Most importantly, the department oversees the adaptation of the sector's legal framework pertaining to the socio-economic conditions in Morocco. Other trans-sectoral departments for the Social and Solidarity Economy exist within other ministries and institutions, and intervene financially, judicially, organizationally...etc. Some of these departments exist within the Ministry of Economy and Finances, the Ministry of Interior, the Ministry of Social Development, the Ministry of Solidarity and Family, the Ministry of Justice and the General Secretary of Government.

- **Sectoral departments**

These sectorial departments exist within different ministries and are involved in the Social and Solidarity Economy in their field of specialty. Each one of these departments only intervenes within the credentials of their sectors, namely tourism, environment, artisanry, agriculture, fisheries, commerce and industry, culture, education, healthy, habitat, energy and mining, and many others.

- **Public entities**

These are institutions, agencies and offices involved in the Social and Solidarity Economy sector. There are namely two public entities⁷: The Office for Cooperation Development (ODCO), and the Agency for Social Development.

- **The Office for Cooperation Development** was created in 1962 to manage cooperatives in Morocco and is designed to:
 - Oversee and consolidate the creation of new cooperatives and their unions
 - Encourage and promote the development of cooperatives
 - Provide legal assistance in the creation and union of cooperatives
 - Communicate information related to cooperatives
 - Conciliation and conflict management
- **The Agency for Social Development** was created in 1999 to consolidate human and social capital through:
 - Enforcing the capacities of local actors

⁶ « Stratégie Nationale de L'Économie Sociale et Solidaire 2010 – 2020 », Novembre 2011, Chef du Gouvernement, Ministère délégué auprès du chef du gouvernement chargé des Affaires Économiques et Générales. PP. 36-37

⁷ « Stratégie Nationale de L'Économie Sociale et Solidaire 2010-2020 », Novembre 2011, Chef du Gouvernement, Ministère délégué auprès du chef du gouvernement chargé des Affaires Économiques et Générales. PP. 36-37

- Promoting and developing revenue generation activities and creation of employment
- Improving the living conditions of target populations in rural and urban Morocco

Social and Solidarity Economy entities

Having presented the governmental SSE institutions that manage and oversee SSE activities in Morocco, in what follows are the acting SSE bodies.

- **Cooperatives**

Cooperatives constitute the main component in the Social and Solidarity Economy in Morocco and are the main source of the created jobs. By 2015, there were about 14,859 cooperatives with around 472,900 active members, mainly in the Artisanry, Agriculture and Habitat sectors⁸. Other significant sectors include Argan, Foodstuffs, Forestry and Fisheries, which have witnessed a substantial expansion through the years. As shown in the following figure, 67% of active cooperatives are in the Agricultural sector, followed by the Artisanry sector which comprises 15% of the active cooperatives.

- **Mutual institutions**

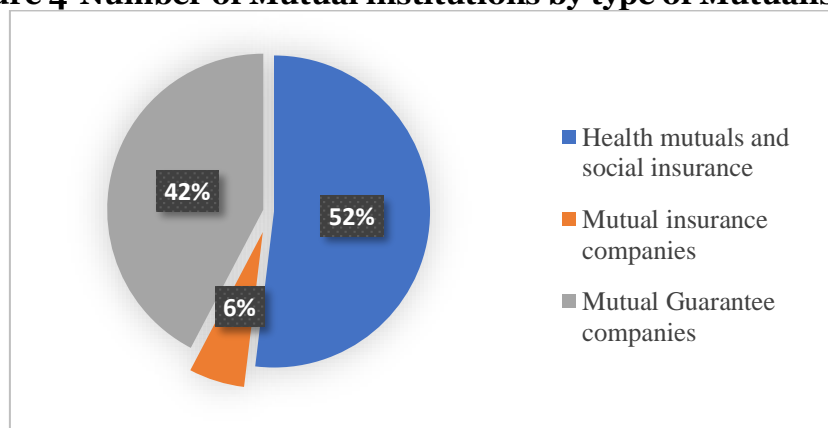
One of the pillars of the Social and Solidarity Economy in Morocco is the mutual institutions. They are constituted of the agricultural mutual funds that provide insurance and guarantees for livestock mortality and have evolved into the Moroccan agricultural insurance mutual (MAMDA). Other mutual institutions predominantly include health insurance, mutuals and many of them have evolved to be under the National Fund of Social Insurance Funds (CNOPS). These SSE entities target workers in handicrafts (11 mutuals for 8840 crafts, transportation, fisheries and agriculture sectors and MSMEs (around 2 mutuals for 517 member retailers and entrepreneurs). In addition, there are only three mutual insurance companies: Mutual for Agriculture Insurance (MAMDA), Mutual for Transportation Insurance United (MATU) and Mutual Insurance for Work and Road accidents⁹. As for the mutual guarantee institutions, there are around 22 with economic sector specialization, with 11 institutions in artisanry, 6 in transportation, 3 in fisheries and 2 for Medium and Small Enterprises¹⁰.

⁸ The Office for Cooperation Development, 2015, report <http://www.odco.gov.ma/sites/default/files/remacoop5.pdf>

⁹Touhami Abdelkhalek, Zied Ouelhazi, 2013, Malika Ahmed-Zaid, « L'économie sociale et solidaire au Maghreb : quelles réalités pour quel avenir ? Algérie, Maroc, Tunisie, Monographies nationales », IPEMED, pp. 14-16. <http://www.ipemed.coop/>

¹⁰ Touhami Abdelkhalek, Zied Ouelhazi, 2013, Malika Ahmed-Zaid, « L'économie sociale et solidaire au Maghreb : quelles réalités pour quel avenir ? Algérie, Maroc, Tunisie, Monographies nationales », IPEMED, pp. 14-16. <http://www.ipemed.coop/>

Figure 4-Number of Mutual institutions by type of Mutualisation



Source: ODCO, 2015

- **Associations**

Associations act as mediums between the government and civil society and have recently moved heavily from cultural and charity activities to political, social and economic development related activities. Under the Dahir n°1-58-376, associations are designed by law to act in different sectors, including for the Social and Solidarity Economy. However, the body of existing associations remains unknown with very limited visibility, especially vis-à-vis target group beneficiaries, and their actions remain limited in scope and reach. In 2015, some 130 000¹¹ associations were active in different sectors, as opposed to only 44,771 in 2007. Most of these associations are youth structures: the HCP estimates that 8 out of 10 associations were created between 1997 and 2007, and 4 out of 6 associations were created after the launch of the National Initiative for Human Development in 2005¹² (INDH). Moreover, as shown in the figure below, the presence of associations, like the Social and Solidarity Economy, is significant and has considerably grown through the years.

Main dynamics of the Social and Solidarity Economy in Morocco

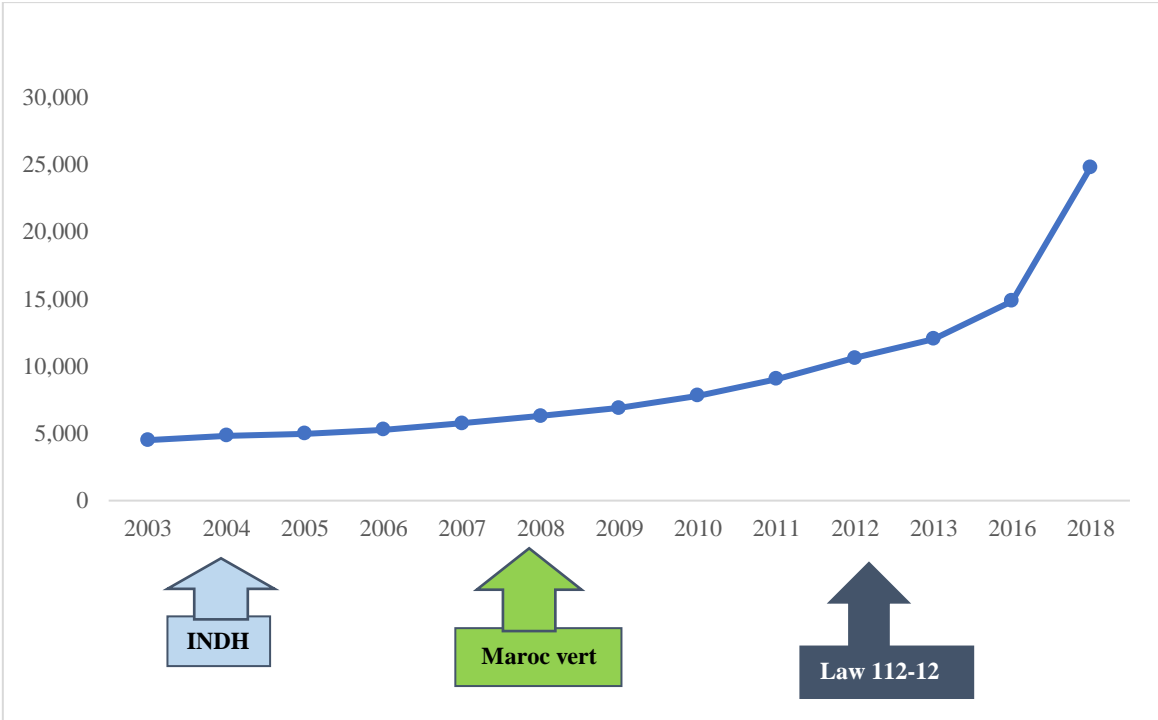
- **Number of cooperatives is in constant evolution**

One of the main dynamics in the Social and Solidarity Economy in Morocco is that the cooperative sector is in continuous progression, especially since the launch of the INDH, in 2005 (the National Initiative for Human Development). As highlighted below, the total number of cooperatives went from a total of 4,498 in 2003 to 14,859 in 2016.

¹¹ Conseil Economique, Social et Environnemental, 2016, Report, <http://www.cese.ma/Documents/PDF/Auto-saisines/2016/av28/rp-as28f.pdf> p. 29.

¹² Haut-Commissariat au Plan, 2011, <http://docexpo.hcp.ma/docs/59/enquete-nationale-aupres-des-institutions-sans-but-lucratif-isbl-exercice-2007-rapport-de-synthese-decembre-2011.pdf>

Figure 5 - Evolution of number of cooperatives per year (2003-2018)

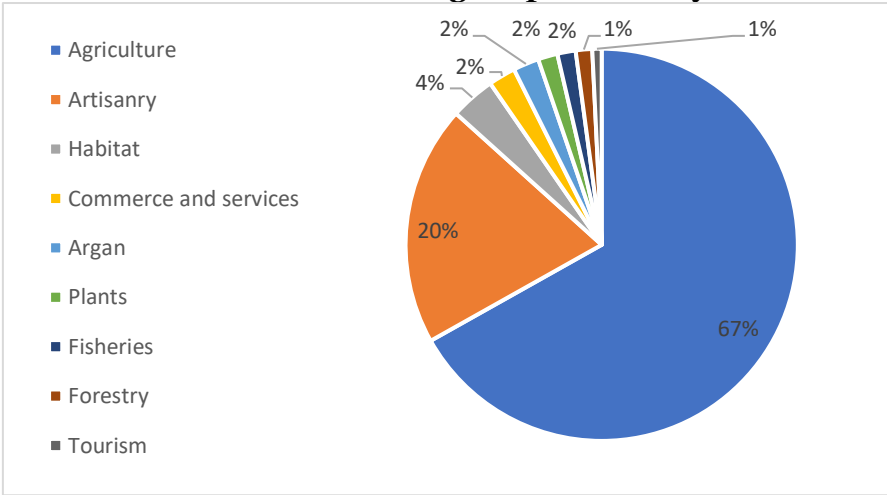


Source: Authors using ODCO data. 2019

- Cooperatives are concentrated in traditional sectors**

Another main dynamic in the SSE is the concentration of cooperatives in mainly traditional economic sectors. The following figure shows a concentration of cooperatives in traditional economic sectors, mainly in agriculture (68%), artisanry (16%) and habitat (8%) (ODCO, 2016).

Figure 6 – Concentration of existing cooperatives by Economic Sector



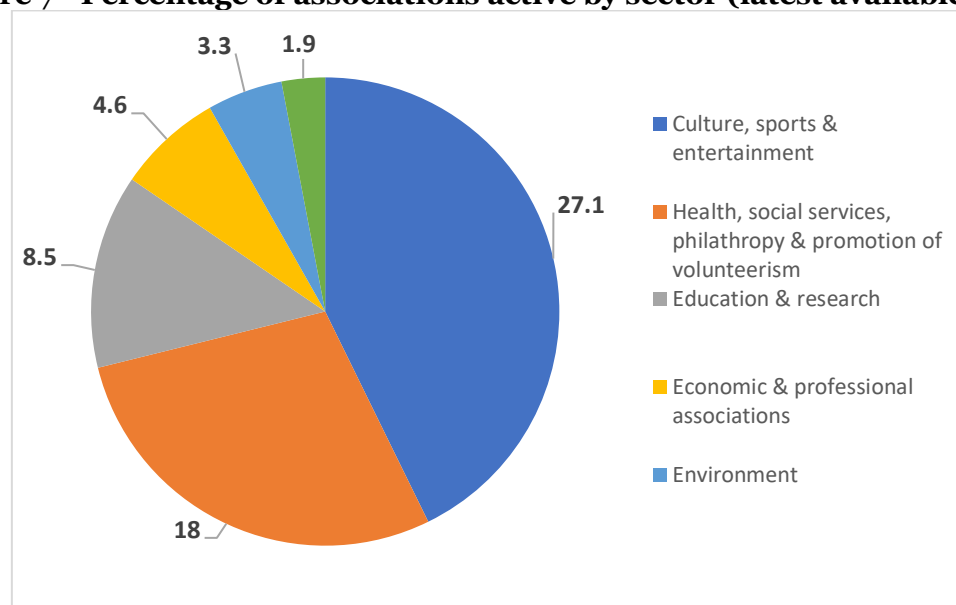
ODCO, 2020¹³

¹³ Nombre de coopératives recensées à fin juin 2020, press, in aujourd'hui.ma ; <https://aujourd'hui.ma/societe/34-515-cooperatives-recensees-a-fin-juin->

- **Associations are the most diversified**

Although cooperatives are growing the most, the body of associations is the most diverse with over 50,000 associations and counting (MAEG, MI 2007). The associative body encompasses many sectors and types of activities which are offered to members, as well as to the public. The figure below highlights the diversity of associations and the sectors where they are concentrated, namely Development & Habitat (35,2%) and Culture, Sports & Entertainment (27,1%).

Figure 7 - Percentage of associations active by sector (latest available data)



Source: HCP, 2007

DEVELOPMENT OF THE SOCIAL AND SOLIDARITY ECONOMY AND INFORMALITY

When covering the topic of the Social and Solidarity Economy, we could not brush over the topic of informal economic activity. In many situations across the world, the SSE and informality intersect at many levels and stages of economic production and given the definition of both concepts, the SSE could easily be qualified as informal economic activity and vice-versa. In fact, the development of the Social and Solidarity Economy can go hand-in-hand with the informal sector, especially in developing economies. Informality is generally the matrix from

[2020#:~:text=Le%20registre%20des%20coop%C3%A9ratives%20compte,le%20tourisme%20\(1.433%20adh%C3%A9rents\).](#)

which social and solidarity economy activities emerge; it can even constitute a unit of the SSE and be a dominant model of labour relations (Touhami Abdelkhalek, 2013)¹⁴.

With the launch of the National Development Initiative for Human Rights (INDH) in 2005, the Social and Solidarity Economy went to the forefront of revenue generating activities promoted by the initiative. Stemming from a bottom-up approach, the SSE has the capacity to convey population needs, improve the effectiveness of the way projects impact on beneficiaries and to carry out sustainable, revenue generating projects. The analysis of SSE experiences across the globe shows that they can help the transition from informal to formal employment (ITC, ILO, 2017)¹⁵.

In order to assess the impact of the Social and Solidarity Economy on formal employment creation in Morocco, we conduct a qualitative survey.

Social and Solidarity Economy: providing emerging jobs and helping informal jobs transition to formality

The informal sector is rarely regulated, making those who are active within it vulnerable to economic shocks and to changing labour market needs. The Social and Solidarity Economy may provide some answers in this regard, helping create formal jobs and absorb emerging labour market needs within the formal economy. By its structure and organization, the SSE can intermediate between emerging and existing demand and supply in the labour market and entrepreneurial structures within the formal economy (Matthew, 2017).

The case of “El Amanecer De Los Cartoneros” cooperative in Buenos Aires, Argentina, is a prime example of the SSE’s capacity to formalize informal workers. Established in 2005, it employs waste pickers from the excluded workers’ movement. The impact of this cooperative includes job creation in an emerging economic sector, which is recycling and ecological work, and providing formal jobs, promoting workers’ rights and social recognition for waste pickers in Buenos Aires. The cooperative organizes its 3,400 members into groups, each working in an area of the city, collecting and selling the materials they collect (individually or by group) and providing them with transport so they can move about between locations (ILO, 2017)¹⁶.

¹⁴ Touhami Abdelkhalek, Zied Ouelhazi, 2013, Malika Ahmed-Zaid, «L’économie sociale et solidaire au Maghreb : quelles réalités pour quel avenir ? Algérie, Maroc, Tunisie, Monographies nationales », IPEMED, pp. 14.

¹⁶ http://www.ipemed.coop/adminIpemed/media/fich_article/1386003003_IPEMED_Economie_sociale_et_solidaire_Maroc_Alg%C3%A9rie_Tunisie.pdf

¹⁵ Carlo Borzaga, Gianluca Salvatori, and Riccardo Bodini, July 2017, “Social and Solidarity Economy and the Future of Work”, in https://www.ilo.org/wcmsp5/groups/public/ed_emp/---emp_ent/---coop/documents/publication/wcms_573160.pdf

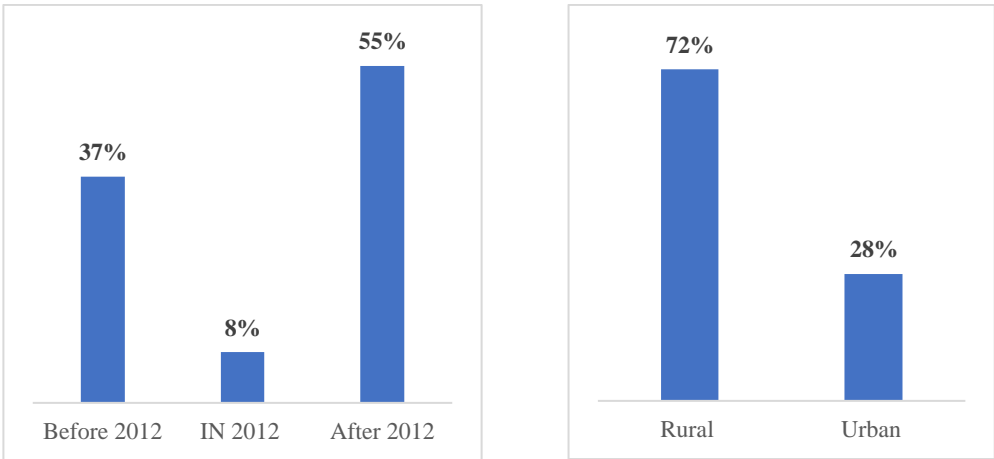
¹⁶ Carlo Borzaga, Gianluca Salvatori, and Riccardo Bodini, July 2017, “Social and Solidarity Economy and the Future of Work”, last consulted: 22/10/2018, p.24, in https://www.ilo.org/wcmsp5/groups/public/---ed_emp/emp_ent/---coop/documents/publication/wcms_573160.pdf

Does the SSE in Morocco have the capacity to create and transition informal activity to formal economic opportunities: an analysis of a quantitative and qualitative survey

Evidence from developing and developed countries shows a significant impact of cooperatives, like SSE entities, on formal job creation and the transition away from the informal economy. We conducted a survey to assess the ability of the SSE to contribute to formal job creation in Morocco. A healthy mix of quantitative and qualitative questions were adopted for this survey, in order to assert qualitative results with additional quantitative data on those interviewed in the SSE. This is particularly important to evaluate the SSE’s potential to create and maintain formal jobs in Morocco.

Over 130 SSE bodies were asked questions on branch, legal status, size, including female and youth representation amongst the membership, as well as geographical location, financial structure, targeted clientele and number of jobs created, amongst other qualitative questions to formulate an understanding of the SSE sector. What follows is a summary of our main survey results.

Figure 8 - The year of creation of the SSE member Figure 9 - Geographical location

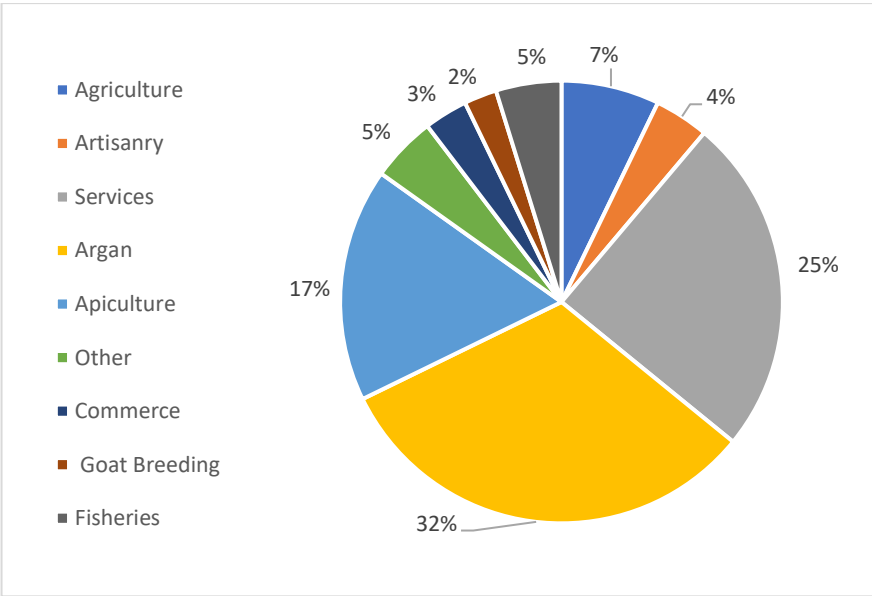


Source: Authors’ survey

Since Morocco initiated a National Social and Solidarity Economy strategy in 2010 and introduced a law for cooperatives in 2012, we asked the SSE members their year of creation. As predicted, we found an exponential growth in SSE creation after 2012, which can be explained by accentuated governmental support for the sector since this date.

As for geographical location, by completing the official statistics, presented previously, our sample confirms that SSEs are mainly active in rural settings. This can be explained by the fact that most of their activities are in traditional sectors, such as Agriculture, which is mainly concentrated in rural Morocco.

Figure 10 - Economic sector



Source: Authors' survey

As for the economic sectors, they are active in just about every sector of the economy with a concentration in traditional sectors, such as Argan (32%), Agriculture (7%) and Apiculture (17%). Furthermore, they fall under one of three types of SSEs: about 14% of them are associations, 11% represent a form of a social enterprise and 75% are cooperatives. Cooperatives, in fact, are the most diverse form of the SSE in Morocco, but also, arguably, the most economically profitable. The law of 2012 has encouraged their further development, as well as encouraging expansion by providing a flexible legal framework. They have also benefitted from governmental support, both financially and by their nature of their activities (technical assistance, machines...etc.). As shown in figure 13, more than 90% of SSEs in our sample have benefitted from governmental subsidies. Most of these funds were distributed, on a case-by-case basis through the National Initiative for Human Development (INDH), but also through other programmes such as “Plan Maroc Vert” mainly geared to the agricultural sector.

Figure 11 - Type of Social and Solidarity Economy

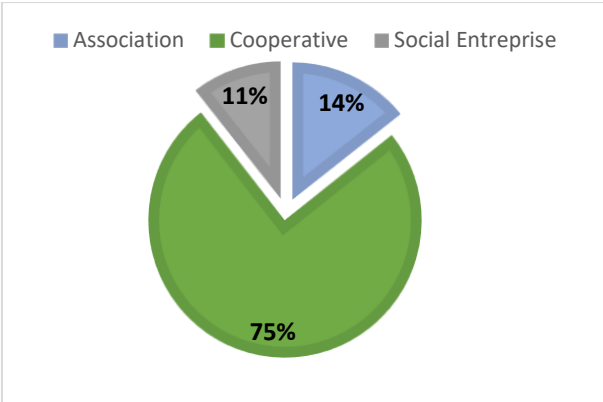


Figure 12 – SSEs Benefitting from governmental subsidy fund

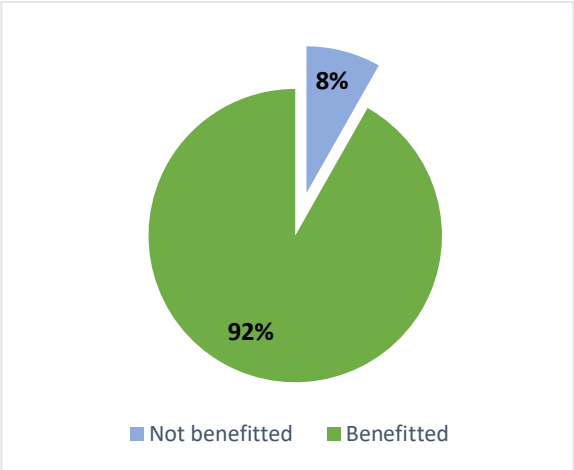
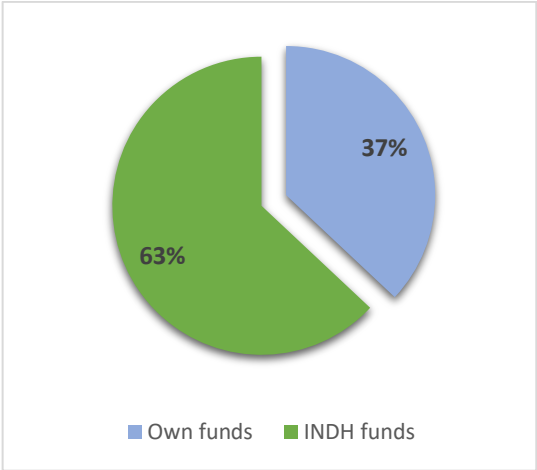


Figure 4 - Structure of SSE's funds



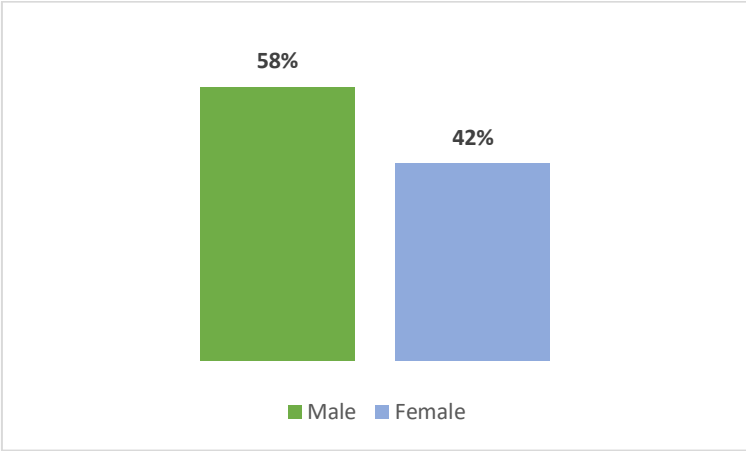
Source: Authors' survey

It should be noted that the ability of these programs to fund the SSE has been substantially boosted by the government encouraging the development of the sector. As shown in figure 14, the INDH financial support in our sample constitutes, on average, more than 60% of the total budget structure of the SSE. This is revealing, since it highlights the government's strong will to support and encourage the development of this economic sector.

Moreover, our sample also confirms the ability of SSEs to become catalysts for social change, by providing decent income opportunities for both men and women. Figure 15 highlights a strong tendency of women to start and to be the heads of SSEs in Morocco, as 42% of SSE entity presidents are females in our sample. This is not surprising, since the SSE's structure and model are more flexible and can provide women, especially in rural Morocco, with work opportunities that can be accessed from home. Putting it in a social context, this

makes it that much more attractive for women to work under the structure of an SSE than any other structure.

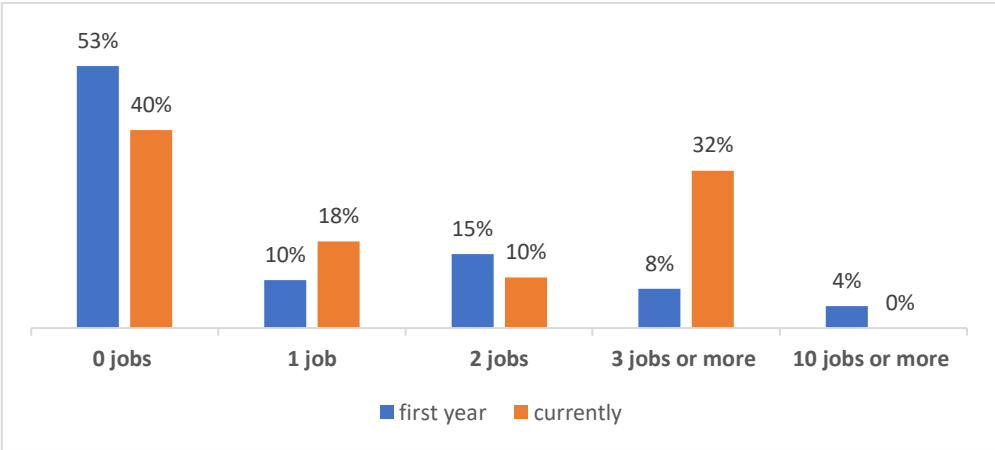
Figure 5 - Gender of SSE president



Source: Authors' survey

The question as to whether these economic opportunities are formal and sustainable remains crucial to the success of SSEs. In figure 16, we represent the number of jobs that were created by the SSE entity during its first year of activity, compared to when the survey took place. The ability to create and maintain jobs beyond the initial launch phase should reflect the SSE's capacity to create and keep formal economic opportunities. It should be noted that being a member does not count as being employed.

Figure 6 - Number of jobs created by the SSE



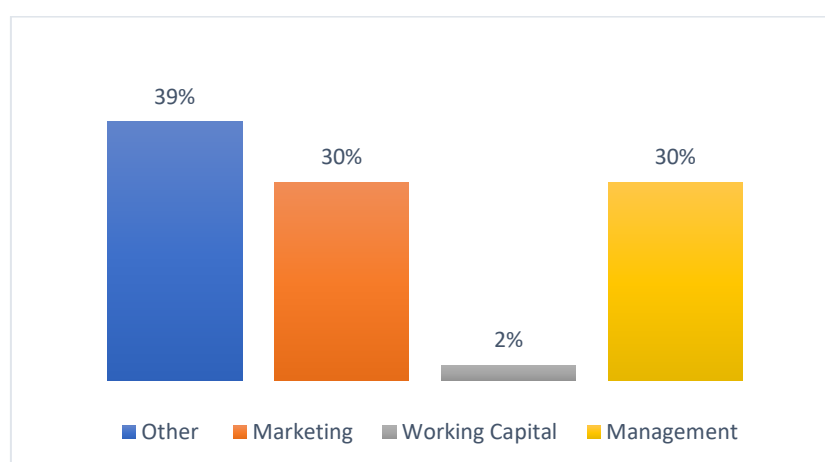
Source: Authors' survey

Between their first year of activity and now, the number of SSEs in our sample that answered that they were unable to create jobs dropped from 53% to 40%. This shows that some SSE structures have gained the capacity to create jobs since their first year of activity. In fact, our sample shows that after their first year, SSE entities creating 3 or more jobs jumped

from 8% to 32%. This result is further backed by the fact that those creating 10 or more jobs dropped from 4% to 0%, as they progressed in their activity, reflecting a more reasonable and durable trend.

Our survey highlights a few common challenges faced by the SSE in Morocco, regardless of the branch of activity. Figure 16 shows that more than 30% of those questioned have faced marketing challenges, making them unable to properly market their products and find a suitable and sustainable clientele. About 30% of interviewed SSE members declared that they are facing management issues mainly stemming from their lack of business experience, whilst 39% said they are experiencing other challenges, such as technical training (product development). Surprisingly, only 2% said they are facing financial challenges, reflecting the SSE's capacity to be financially sustainable and to generate profits for its members - if they are provided with the necessary conditions to overcome other challenges. This is precisely why the sector's development should be backed by carefully developed policies that are geared towards developing the capacity of the SSE and its members.

Figure 7-Challenges faced by SSE members



Source: Authors'survey

Aside from the above challenges faced by the SSE in Morocco, the current health crisis has exacerbated the vulnerabilities and uncertainties both in the economy and employment in Morocco. Of particular concern, according to HCP¹⁷ (2020), between the second quarter of 2019 and the same period in 2020, the Moroccan economy lost 589,000 jobs, comprising of 520,000 jobs in rural areas and 69,000 in urban areas. This contrasted with an average annual creation of 64,000 positions in the previous three years. In this context, on one hand, the social and solidarity economy could represent an alternative guaranteeing sustainable growth and resilience, since the demand for the SSE has never been greater (OECD, 2020). On the other

¹⁷ HCP, August 2020, « La situation du marché du travail au deuxième trimestre de 2020 », in https://www.hcp.ma/La-situation-du-marche-du-travail-au-deuxieme-trimestre-de-2020_a2580.html

hand, because the Covid-19 pandemic has resulted in a global economic downturn, it has also negatively impacted the SSE sector, especially cooperatives and associations, due to a decline in supply and demand for goods and services, specifically, in tourism, crafts and agriculture - the sectors hardest hit by the crisis. In fact, in our sample alone, at least of those that we could reach, 5 of them ceased their activities due to the health crisis.

CONCLUDING REMARKS

Although the SSE shows significant potential for job creation, we note some crucial challenges and weaknesses that it is encountering. According to our survey, the main challenges SSE members in Morocco face are lack of marketing support and management issues, due to lack of experience

The limited social protection is a major challenge across the board for the Moroccan economy. Very few cooperatives and associations provide access to social insurance for their members. In fact, only about 15% of cooperatives are affiliated with CNSS (ODCO, 2009). A major issue is the absence of a social insurance programme dedicated to members of cooperatives and associations. Such a programme would be able to accommodate the specificities of their activity. As of recently, Morocco launched a five-year plan, 2021-2026, for the deployment of the generalisation of social coverage, which would include some 22 million additional beneficiaries. The success of such an endeavour should strengthen the development of the social and solidarity economy, as well as moving employment away from informality.

The lifecycle of Social and Solidarity Economy projects suffers from many weaknesses that can easily be identified in the formulation, planification, and the execution of a project¹⁸.

- First, the absence of entrepreneurship and innovation in SSE projects which leads to a duplication of existing activities.
- Then, the lack of project implementation skills, weak knowledge of administrative procedures and absence of experience sharing, resulting in poorly built and executed projects.
- Finally, once these SSE projects are established, limited management skills, poor knowledge of SSE governance, lack of tools resulting in under-valued products, difficulty accessing marketing channels and financial markets, and high dependency on state subsidies.

In March 2020 in Morocco, Covid-19 accentuated the precariousness of employment in the country. In the context of the pandemic, the SSE could represent an alternative that

¹⁸ « Stratégie Nationale de l'Économie Sociale et Solidaire 2010-2020 », Novembre 2011, Chef du Gouvernement, Ministère délégué auprès du chef du gouvernement chargé des Affaires Économiques et Générales, pp.45-46.

guarantees sustainable growth and resilience. Boosting the development of the social and solidarity economy as a sustainable and inclusive growth alternative for issues such as the prevalent informal sector (39% of the labour force), becomes a foreseeable solution in these uncertain times. The adoption of the SSE framework law, which aims to recognise and increase the visibility of the SSE and to provide the means and tools for its development, becomes urgent in this context.

Understanding the potential of the SSE and addressing the effects of the economic crisis caused by the Covid-19 pandemic, the Moroccan government has recently initiated an inclusive recovery plan to support production and marketing for SSE entities, digitising and mobilising all stakeholders in the entrepreneurship ecosystem. A subsidy agreement of 1.5 million euros, aimed at strengthening the regulatory framework of the social and solidarity economy (SSE), was signed in April 2021, between the Ministry of Tourism and Craftsmanship, Air Transport and Social Economy and the French Development Agency (AFD). Such initiatives reaffirm the political will to make SSE contributors to wealth and development as one of the main responses to the socio-economic challenges in Morocco, which reconcile principles of equity and social justice with economic development. The strengthening of the regulatory framework and the promotion of the SSE at a local and regional level will, thus, make it possible to clarify the nature and role of SSE actors, within a comprehensive ecosystem, in addition to identifying and implementing the regulatory mechanisms necessary for the consolidation of the SSE.

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