Ecosystem Health Check - Morocco

Just after launching the **DAPP** program in partnership with **ActionAid Denmark**, Swisscontact followed up with an entrepreneurial **Ecosystem Health Check** in Morocco to help and facilitate the implementation of their project in the 4 targeted regions.

The **Danish-Arab Partnership Programme** (**DAPP II**) is Denmark's collaborative programme with North Africa and the Middle East. The programme aims to build partnerships to strengthen good governance and ensure economic opportunities, especially for youth and women, in Morocco, Tunisia, Egypt and Jordan.

The Youth Inclusion and Employment Project (YIEP) falls under the first pillar of THE DAPP and will be implemented in Morocco by ActionAid Denmark and Alianza Por La Solidaridad in collaboration with Swisscontact and Turning Tables.
The programme aims to enable young people to be inspired and actively included in economic life by equipping them with the technical and soft skills needed to get a decent job or to engage in entrepreneurship.

To build a strong basis for the project and to ensure improved business environments for entrepreneurs and SMEs in a very complex, economical and social environment such as Morocco, Swisscontact appealed to their partner DEEP Ecosystems, which is a platform for the acceleration of entrepreneurial ecosystems. DEEP is working with innovation leaders worldwide to help them grow their regional communities and institutions to support more entrepreneurs to succeed.

In January 2023, DEEP Ecosystems under their representatives, CEO Thomas Kösters, Sara Usinger an Ecosystem Expert and DAPP represented by its coordinator Zineb Fakihani, jointly started elaborating an Ecosystem Health Check that will serve as a tool to compare and benchmark the state of development of the entrepreneurial ecosystem, plan strategic interventions, and identify **key metrics** related their impact.

The main focus was on the following key metrics to reach a better understanding and deliver the right recommendations and instructions that will take a big part in the development of the entrepreneurial ecosystem in Morocco:

Community:
- Diversity & Inclusivity
- Knowledge and Talent
- Startup support
- Specialization & Diversification

Environment:
- Network Density
- Innovation Culture
- Policies
- International Connectivity

Many brainstorming sessions, roundtables, surveys with activists and leaders of the ecosystem took place in order to collect data that will help analyze and decode the ecosystem Starting with a review of existing studies on the ecosystem in Morocco and thecreation of a database of 641 identified startups (including company and founder data, affiliation with accelerator programs, etc.) as well asa listing of Entrepreneurship Support Organizations a framework for the analysis was formed.

At the end of this study, DEEP Ecosystems and the local team habe shared the outcomes and results of their analysis in a form of a guideline, that can be summarized as follows:

The findings show a strong performance in the "startup environment" factors based on chosen benchmarks:
- A good regional distribution of support programs,
- A relatively good innovation culture,
- Open dialogue with the government on entrepreneurship,
- And a positive international brand, especially with digital nomads

Despite the fact that startup support shows a positive impact on startup success, the ecosystem is not able yet to rally behind a successful strategy just yet :
- The startup scene shows a striking lack of talent and entrepreneurial experiences
- Specialization efforts are misguided and perceived growth sectors underperform drastically.

As a general guideline, the recommendation for a future strategy should refocus away from structural development and guide towards talent and community objectives, combined with an ambitious growth mindset.

The results show that a massive education and inspiration for entrepreneurial talent is needed to capture the great economic potential of the Moroccan Youth :
- Tap into the untapped talent pool by increasing diversity in entrepreneurship education. Focus on developing specific programs and networks to support the socio-economic empowerment of women and youth.
- Explore the combination of entrepreneurial training programs with digital nomads to make use of international expertise.
- Establish close ties with universities by setting up a student awareness cell to capitalize on the mobilization capacity of universities. Explore ways to reduce dropout rates due to financial stress by offering stipends, loans, or grants.
- Building the talent networks needed to create globally successful companies, (inspiring programs accessible to the greatest number), following the example of 42 in France. Programs like 1337 in Morocco can play a vital role.
- Develop synergies with the private sector for investments in entrepreneurial talent development.

Swisscontact and its implementation partners in the DAPP project will place these recommendations at the heart of their activities to maximize the impact of their activities.

Data Visualizations :

Number of Startups Founded in Morocco over time
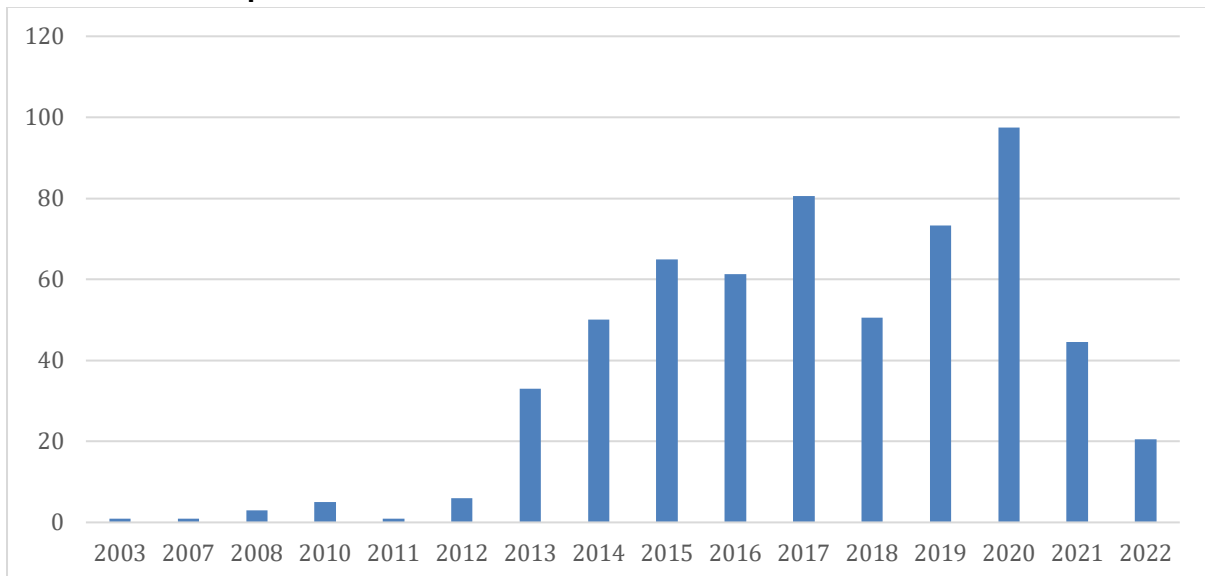
2003	1
2007	1
2008	3
2010	5
2011	1
2012	6

2013	33
2014	50
2015	65
2016	61
2017	81
2018	51
2019	73
2020	97
2021	44
2022	20

Number of Startups per Region in Morocco

Region	Startups
Beni mellal-khénifra	0
Casablanca - settat	309
Dakhla-oued-eddahab	0
Darâa-tafilalet	0
Fès-meknès	9
Guelmim-oued noun	0
L'oriental	3
Laâyoune-saguia el hamra	0
Marrakech-safi	39
Rabat-salé-kénitra	77
Souss-massa	20
Tanger- Tétouan- Houceima	27

Inflow of Digital Nomads to Moroccan cities

City	Country	Nomads
Taghazout	Morocco	2400
Agadir	Morocco	7800
Essaouira	Morocco	13200
Marrakech	Morocco	80400
El Jadida	Morocco	800
Casablanca	Morocco	26400
Rabat	Morocco	13600
Tangier	Morocco	14200
Fes	Morocco	14200