DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
STRENGTHENING MICRO-ENTREPRENEURSHIP FOR DISADVANTAGED YOUTH
APPROVED ON JUNE 27, 2013
TO
MINISTRY OF ECONOMY AND FINANCE (TGR)

SOCIAL, URBAN, RURAL AND RESILIENCE GLOBAL PRACTICE
MIDDLE EAST AND NORTH AFRICA

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I. BASIC DATA

Product Information

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<th>Product Information</th>
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<tr>
<td>Project ID</td>
<td>P144134</td>
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<tr>
<td>Financing Instrument</td>
<td>Investment Project Financing</td>
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<tr>
<td>Original EA Category</td>
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<td>27-Jun-2013</td>
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Organizations

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<td>Borrower</td>
<td>MINISTRY OF ECONOMY AND FINANCE (TGR)</td>
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<td>Responsible Agency</td>
<td>Ministry of Youth and Sports</td>
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Project Development Objective (PDO)

Original PDO

The objective of the Project is to provide Beneficiaries in the Project Areas with access to micro-entrepreneurship development services. "Beneficiary" means a disadvantaged man or woman between the ages of 18 and 29 who is aspiring to be or is an entrepreneur with secondary education or less, as selected pursuant to the provisions of the POM.

Summary Status of Financing

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<th>Ln/Cr/Tf</th>
<th>Approval</th>
<th>Signing</th>
<th>Effectiveness</th>
<th>Closing</th>
<th>Net Commitment</th>
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Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES
The World Bank
Strengthening micro-entrepreneurship for disadvantaged youth (P144134)

Rationale for closing date extension:

The project has absorbed delays accumulated from its onset and the proactiveness of the Implementing Agency over the last year has improved and permitted to upgrade its performance rating to a moderately satisfactory level. The extension, to be financed by available non-allocated resources, will allow for the consolidation of the post-creation follow-up support to young micro-entrepreneurs who started a business activity under the project and for the expansion of the post-creation support to additional beneficiaries of other Bank supported projects, as mentioned below in the section describing in detail planned activities.

Project achievements to date:

Progress towards achievement of the Project Development Objectives (PDOs) is moderately satisfactory with all PDO-level indicator targets achieved. The project has exceeded the targets:

-(i) For PDO-level indicator 1: The number of direct project beneficiaries who took part to the entrepreneurship training reached a total of 6,822 young people (out of a target of 5,000), of which 49% are female beneficiaries, thus exceeding the 40% young women’s participation target;
-(ii) For PDO-level indicator 2: The number of direct project beneficiaries who successfully completed the entrepreneurship training has been updated to a total of 5,761 young people (out of a target of 4,500), of which 44% are young women beneficiaries, thus exceeding the 40% end target;
-(iii) For PDO-level indicator 3: The number of youth micro-entrepreneurs who received post-creation follow-up support for at least 12 months amounts to more than 2,000 young beneficiaries (out of a target of 1,800), and final data about young women micro-entrepreneurs are now being collected by the Implementing Agency team in the field. With specific reference to this PDO indicator, sustained efforts have been made during the past year to advance the post-creation support phase, which recently completed its first year of implementation, providing young micro-entrepreneurs with counseling and post-creation support services.

The youth training follows three-phase approach, namely (i) pre-selection phase through boot-camps for 10,000 youth; (ii) micro-entrepreneurship training phase for 5,000 youth of which 4,500 are expected to complete the training; and (iii) mentoring and post-creation support for 1800 young entrepreneurs for at least 12 months after the creation of their business activity. 248 Youth facilities under the Ministry of Youth and Sports have played a key supportive role in both boot-camps and in the training for young beneficiaries, of which 225 urban youth centers and 23 rural youth centers. Overall, more than 13,000 youth participated in the selection boot-camps out of a total end target of 10,000. With reference to phase two, 6,822 young beneficiaries took part to the entrepreneurship training, and 5761 young people completed the training. As highlighted above, phase three provided post-creation follow-up support to more than 2,000 young micro-entrepreneurs through coaching and counselling services.

Disbursements are at 73% and it is expected that disbursements will improve following: i) the processing of payment requests submitted by master associations and other service providers; and ii) the implementation of activities planned within the framework of the budget proposal for unallocated resources. With reference to the unallocated resources amounting to 8 million Moroccan Dirham, a budget proposal and action plan have been submitted to the Bank by the Ministry of Youth and Sports and received Bank no-objection on December 20, 2017.

The activities identified by the action plan and agreed with the client are:

i) the consolidation of the post-creation follow-up support for young micro-entrepreneurs who started a business under the project;
ii) the organization of national and regional young micro-entrepreneurs fora; and
iii) the organization of round-table discussions bringing together institutional actors, Master Associations and Community-based organizations providing services to young entrepreneurs.

Moreover, the action plan includes the expansion of the post-creation support through coaching and counselling services to additional beneficiaries of other Bank supported projects. Additional beneficiaries are young micro-entrepreneurs who have started their business activities within other WB projects (such as the Morocco Social and Integrated Agriculture project) that do not include a post-creation support component. By expanding the post-creation support, the pilot youth project will create synergies with other Bank projects and provide essential services to young entrepreneurs in need of support to sustain their business activities.

Project stakeholders are very engaged with the project as demonstrated by their active participation at the session of the project Consultative National Committee organized in November 2017 at the Ministry of Youth and Sports. The commitment of central and local project stakeholders, the setting up (early February 2018) of a functioning network between 13 Master Associations involved in the project implementation (Alliance Marocaine des jeunes et de l'entrepreneariat), together with the existing institutional and implementation arrangements will ensure the continuation of project activities and their finalization by the end of the project. In addition to that, there are no outstanding financial management issues. Unaudited Interim Financial Reports (UIFR) and audit reports were received and up to date.

An outcome evaluation to capture project results and lessons learned kicked off in early November 2017 with an event organized at the Ministry of Youth and Sports and the participation of Master Associations' representatives. The outcome evaluation will be finalized by the end of April 2018 and lessons learned will be integrated in the preparation of the Supporting the economic inclusion of youth project and other projects aimed to support entrepreneurship for young people in the informal sector.

### III. DETAILED CHANGES

#### LOAN CLOSING DATE(S)

<table>
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<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Original Closing</th>
<th>Revised Closing(s)</th>
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