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Trade Accelerator for Young Entrepreneurs in Morocco

International Trade Centre, Morocco

The **International Trade Centre (ITC)**, a joint agency of the World Trade Organization and the United Nations, launched the **Youth and Trade Initiative** in 2015. The Initiative promotes export strategies for youth-led businesses and was originally piloted in Morocco through a partnership with the Association Marocaine des Exportateurs (ASMEX). The ITC worked with Taqueem to design a fully-fledged monitoring and evaluation (M&E) system for the project, in order to measure and assess the impacts of providing a set of tailored services to youth-owned SMEs. This brief underlines the benefits of using web-based systems for facilitated M&E. The ITC envisages that the Youth and Trade Initiative will build the capacity of youth-led SMEs to gain a sustainable presence in international markets.

KEY MESSAGES

- **Scaling up with M&E:** When there are intentions to expand a project into other countries, the initial M&E framework developed should form the foundation of the other pilot projects.
- **Digitization of M&E:** Using web-based data collection instruments cuts back on the efforts put into data management and decreases human error.
- **Functionality of M&E:** An M&E system does not only capture indicators, but also serves as a management tool to clarify successes to celebrate and challenges to address.

Background

International Trade Centre

The ITC is the only development agency that is fully dedicated to supporting the internationalization of small and medium-sized enterprises (SMEs). This means that the agency enables SMEs in developing and transition economies to become more competitive and connect with international markets for trade and investment, thus raising incomes and creating job opportunities, especially for women, young people and poor communities.

Established in 1964, the ITC is a joint agency of the World Trade Organization and the United Nations. The ITC supports developing and transition countries in pursuing opportunities to develop their export sectors, which in turn will contribute to economic growth, job creation and ultimately poverty reduction.

The ITC has a corporate policy on gender mainstreaming, focused on the empowerment of women in business and trade, and gender-sensitive approaches to national export strategies. Its ACCESS! programme provides export training and business opportunities for women through a network of African trade promotion institutions. A gender focus has also been piloted in some sectoral projects, including projects related to the silk sector in Asia, ethical fashion in Africa, and textiles and clothing in Latin America.

Key elements of the ITC gender mainstreaming policy

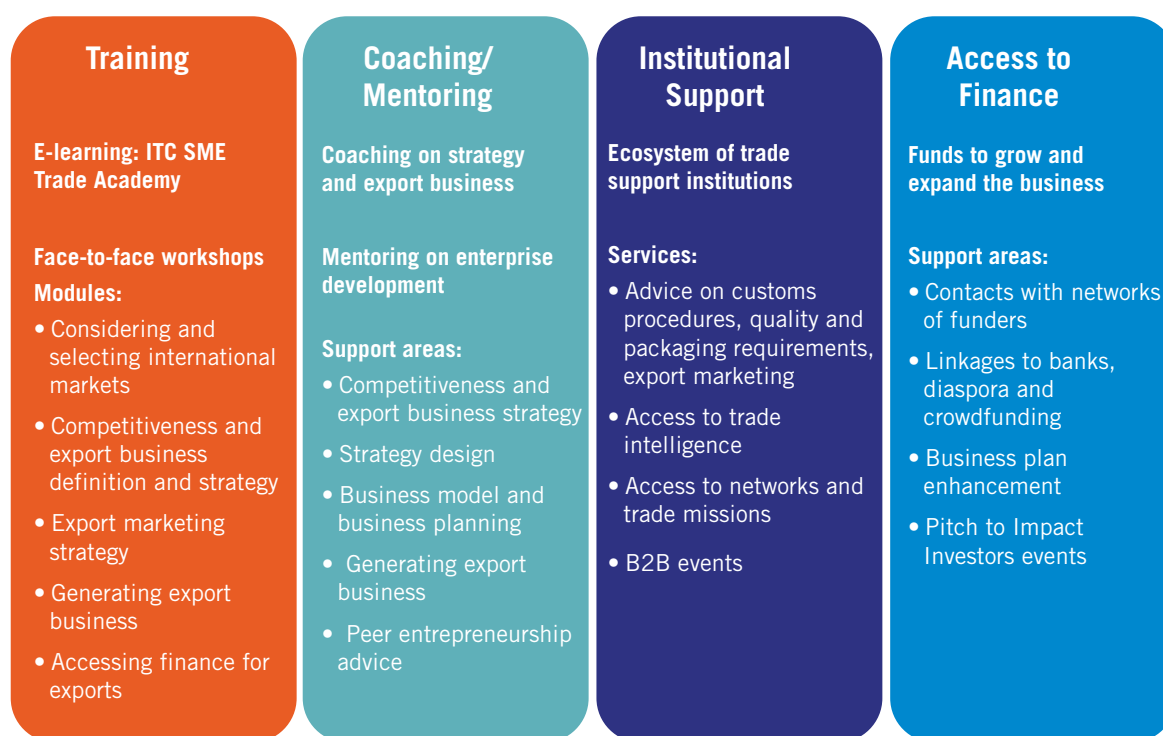
- The establishment of a Gender Working Group at the ITC to guide process.
- Defining roles and responsibilities at both management and staff level to commit to making gender an effective policy.
- Producing performance indicators to monitor its progress.
- Human resource efforts to ensure processes are in place to support managers in reaching gender-equal levels of staff within an equitable workplace milieu.
- A strategy for resource mobilization to support gender mainstreaming in initiatives.

Trade Accelerator for young entrepreneurs

The ITC Youth and Trade Initiative was launched to take a step forward in solidifying the ITC's corporate involvement with young people. The Initiative offers the countries it works with several technical assistance tools and services, such as the Youth and Trade Roadmap (which identifies skills gaps along value chains), online training via the ITC's SME Trade Academy and the Trade Accelerator.

The ITC's Trade Accelerator is a business internationalization model targeting young entrepreneurs with new enterprises who intend to enter international markets or global value chains, or to shift from becoming occasional exporters to regular ones. The Trade Accelerator, piloted in Morocco, is an ecosystem of support for youth-owned SMEs, managed by a host institution (in this case ASMEX) and delivered by trainers, advisers and mentors.

FIGURE 1. The Trade Accelerator model




The Trade Accelerator provides youth-owned SMEs with tailored services to help them gain a more sustainable presence in international markets. Training is provided through the ITC's e-learning platform and by expert trainers through in-person courses. Access to information, markets and financial services is provided either by the ITC or the host institution's network of national partner organizations. All participants in the Trade Accelerator are expected to take advantage of all the services based on their particular needs.

The target group is Moroccan women and men aged 18–35 from registered youth-led businesses that have goods or services that can be exported or embedded into global value chains. However, while applications are open to all those eligible, the selection criteria might prove a hindrance to women-led businesses for several reasons. These include the type of sectors women tend to work in, which might not yield products that can be exported, and the registration of the business, as many women-led businesses operate in the informal sector when they launch.

These gender-specific barriers are addressed in the programme's monitoring system, which pays specific attention to disaggregated data in order to shed light on the specificities of women-led business operations. A selection process takes place for all applicants and, among those who participated in the first phase in Morocco, many were women running their own businesses.

Taqeem support

A project model such as the Trade Accelerator requires a well-designed and robust M&E framework with a well-articulated results chain and appropriate data collection instruments to ensure accurate and attributable outcome estimates. This was particularly important in the pilot phase of the project,



where 15 youth-led businesses were to be selected. Upon completion of the pilot, the project would then be scaled up in Morocco, aiming to reach 500 businesses. It would subsequently be replicated in other countries in the Middle East and North Africa region, such as Tunisia and Jordan, as well as other African countries, such as The Gambia.

The Trade Accelerator's initial design included a limited set of data collection tools linked to a few indicators. The ITC recognized the need for an M&E framework that could capture all the results of the initiative, ranging from direct short-term outcomes, to longer term outcomes at the programme level, up to higher level country outcomes. Through the International Labour Organization's (ILO) Taqem Initiative, the ITC received technical assistance to design a fully fledged M&E framework based on the Donor Committee for Enterprise Development's intervention guide. This included guidelines for determining the theory of change, a logical framework framework, a data collection plan and an attribution strategy.

Taqem also provided recommendations and financial support for the development of field supervision, a qualitative assessment during the pilot stage, in-country M&E support, an independent evaluation, and follow-up M&E assistance to the ITC headquarters to develop guidelines and operating manuals for the use of M&E tools by country office staff. Additionally, the lab, an ILO research and knowledge generation project on how to measure and maximize jobs while working in value chains and sectors, provided support to develop the M&E framework in compliance with the Donor Committee for Enterprise Development (DCED) Standard.

Monitoring and results measurement system

Setting out the logic

The Trade Accelerator project works by providing assistance to youth-led businesses which have an interest in reaching international markets. The overall objective is to contribute to increasing countries' exports and reducing their balance of payment deficit, as well as raising employment levels in sectors relevant to youth-led businesses such as ICT, agriculture and textiles. As seen in figure 2 below, they do this at two key levels:

- **Programme implementation level:** Knowledge acquisition through e-learning and face-to-face modules, coaching and mentoring.
- **Institutional development level:** Institutional ecosystem support where trade and investment support institutions tailor and reinforce their services and facilitate access to finance.

The results chain for the Trade Accelerator project depends on the assumption that disadvantaged and marginalized youth and women business owners in Morocco can raise their incomes and socio-economic status through facilitated access to international trade markets and value chains. In order to access these markets, four short-term outcomes need to be achieved: enhanced business knowledge, improved attitudes towards export industries, stronger market linkages and better access to financial services.

Data collection instruments

The main data collection tools of the M&E system are described in table 1. Figure 3 illustrates the data collection workflow.

FIGURE 2. Results chain of the Trade Accelerator project

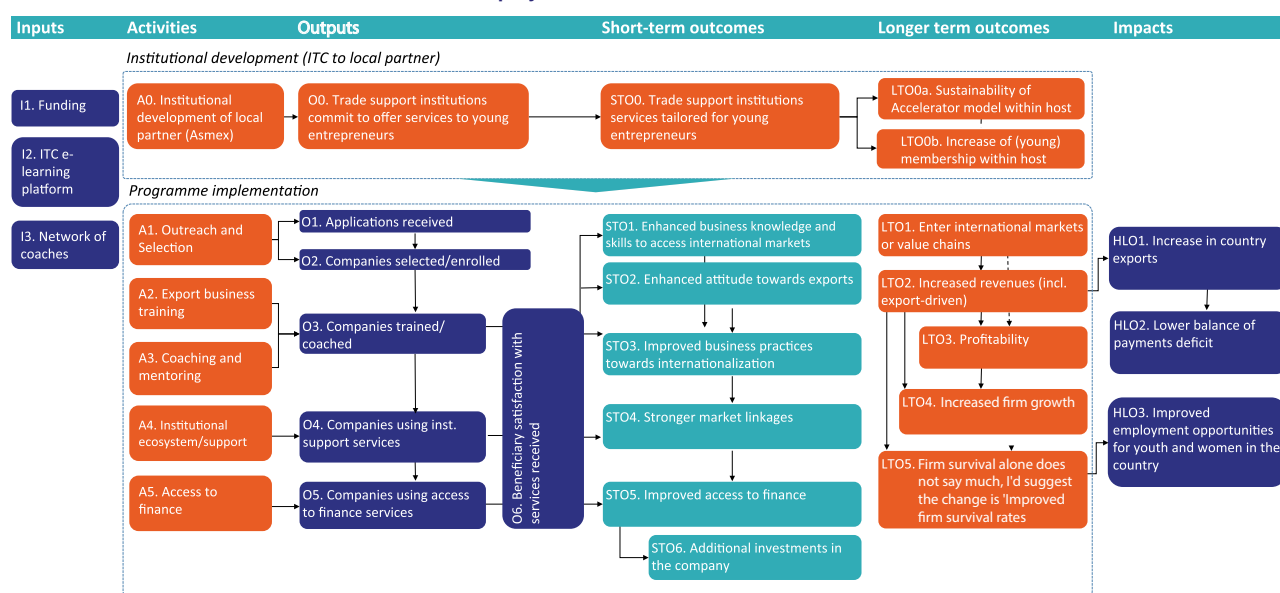


TABLE 1. Short description of the data collection instruments¹

Instrument	Description	Main indicators
Application form and Exit form	Web-based questionnaire sent to all applicants. For the Exit form, only participants who fill out this questionnaire can be awarded a certificate	International market access-related indicators % of supported enterprises involved in international trade Employment-related indicators % of enterprises that increased their number of employees (disaggregated by age, sex, position/type of contract) Business growth-related indicators % of enterprises that invested more money in the company (by source of funds, use of funds) Financial and investment access and use of support-related indicators % of enterprises that report having received funding (by source) Attitudes, knowledge and performance-related indicators % of enterprises that report improved market knowledge and capacity to access information
E-learning platform	Online platform all participants need to sign up to in order to benefit from the modules delivered	Entrepreneurial skills Number of entrepreneurs trained and coached (by age, gender, training/coaching used) Number of e-learning training sessions delivered
Coach reporting form and Company diagnosis form	Word document questionnaire sent to coaches via email, while the company diagnosis is sent to participants via email	Economic performance-related indicators % of enterprises that increased sales (disaggregated by national vs export-driven) Attitudes, knowledge and performance-related indicators % of enterprises that demonstrate motivation and preparedness to export (as assessed by coach)
Follow-up web survey	Web-based questionnaire for all participants 12 and 24 months (possibly 36 months) after completion of the programme	International market access-related indicators % of supported enterprises trading internationally Employment-related indicators % of enterprises that increased their number of employees Economic performance-related indicators Increase (\$) in sales across all supported enterprises (cumulative) Financial and investment access and use of support-related indicators % of enterprises that report having received funding (by source) Growth and sustainability of business-related indicators % of enterprises still in business after 2 years

¹ The list of indicators is extensive but was grouped for the purposes of this brief with one example per category. For the full list of indicators, kindly contact the Taqeeem Team.

Data management

As shown in figure 3, the majority of data related to the programme will be collected through online forms self-administered by potential and accepted beneficiaries. While this will save time and resources, the self-administered nature of the forms could be a cause for concern, and sufficient oversight and cross-checking of data will need to be maintained. However, a few data collection tools – company diagnosis, coaches' reports and some training satisfaction forms – are paper-based, entered manually and then exported to a database (see figure 3). In these cases, several incentives are provided to ensure the completion of forms; for example, participants are awarded a training certificate on completion of the exit form and coaches are required to submit reports as one of their deliverables.

Follow-up web surveys at 12- and 24-month intervals after project completion are deemed feasible because of the strong relationships built with participants during the acceleration process.



Photo: Trade accelerator participants

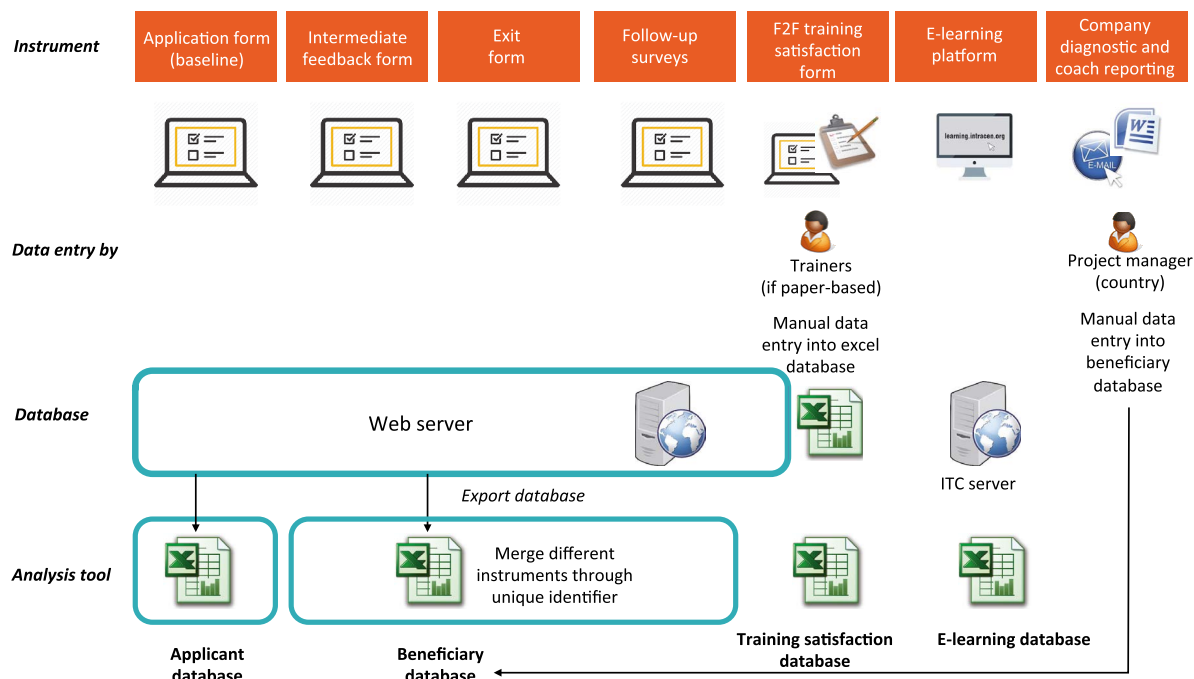
Achieving results

The project accomplished a number of the initial steps in its workplan. A total of 12 youth-led businesses (run by five women and seven men) were chosen from more than 50 applications to participate in the pilot phase of the project. Five of these companies are in the ICT sector, two in agriculture, two in furniture building and one each in cosmetics, textiles and construction materials. They range from start-ups to more developed companies with operations abroad. The project provided a range of export business training in areas including export market assessment, international marketing, market intelligence tools, export strategy and business plan enhancement.

A main finding of this phase of the project is that the young entrepreneurs who took part report enhanced market knowledge and increased access to networks across the European Union and sub-Saharan Africa.

One young female entrepreneur, Rhizlane El Alaoui, created a networking app to replace business cards. As a result of taking part in the first phase of the Trade Accelerator, El Alaoui has been able to develop a sound business strategy and establish new business contacts. She has also gained access to data on African markets, which she uses to determine which regions would be receptive to her app and likely to provide income for her company.

FIGURE 3. Overview of the envisaged data collection workflow



Lessons learned

- **Capitalizing on the existing knowledge base of local partners through investment in a mutually beneficial partnership is key to successful cooperation.**

An under-utilized business area with great potential and in need of further promotion in the project model is electronic international trade. This includes both trade connected with existing e-commerce platforms and creating dedicated new platforms to support business development and transactions.

- **Capacity development**

In terms of capacity development in M&E, results show the need to focus more on tailored practical and experiential learning methodologies, rather than theoretical ones. ASMEX could benefit from this M&E pilot by enhancing its portfolio of products and services, as well as expanding its reach towards a new generation of entrepreneurs. As regards data collection, better coordination on management and analysis between the ITC Youth and Trade Initiative and the local host institution (ASMEX) would be beneficial.

- **Compliance**

Compliance with ITC internal monitoring and reporting requirements is essential to avoid duplication of efforts. Compliance with the relevant national youth strategy and national export strategy is also important in order to align the approach in terms of sector coverage and ecosystem strengthening.



Photo: training session at ASMEX

Next steps

■ Scaling up the M&E system

The Trade Accelerator model was adapted and used for the project Programme Primo Exportateur, which focuses on promoting exports by all SMEs, not just youth-led businesses. Since the project will be implemented in Africa by the ITC and its local partners, the model and its comprehensive M&E system will be adapted and tailored to the relevant African context.

■ E-commerce platform in Senegal

Taking lessons learned from Morocco, the ITC adapted the Trade Accelerator model for the Senegalese context by developing a platform called “Made in Senegal”. This aims to promote the products of young entrepreneurs in international markets. The platform comes with a customized technical assistance package based on the “e-readiness” of the company, containing advice on packaging, labelling, digitalization, product description, customer relationships and logistics. The platform is hosted by the Agence sénégalaise de promotion des exportations (ASEPEX), which manages the selection of the companies. Advice on digitalizing products is given by Trade Point Senegal. This approach provides businesses with concrete solutions to allow them to operate under the umbrella of a country brand.

The Taqueem (meaning “evaluation” in Arabic) Initiative: What Works in Youth Employment is a technical cooperation programme of the International Labour Organization.

This brief was produced in partnership with the International Fund for Agricultural Development (IFAD), as part of an IFAD-financed project titled “Strengthening gender monitoring and evaluation in rural employment in the Near East and North Africa”. Through rigorous impact research, this capacity development and learning grant project aims to understand “what works” in the promoting of gender mainstreaming, with the ultimate goal of achieving gender equality in rural employment outcomes across the region.

“The lab”, a research and knowledge generation project on how to measure and maximize jobs while working in value chains and sectors, has provided support to the Taqueem Community of Practice. The lab is implemented by the ILO with funding from the Swiss State Secretariat for Economic Affairs and adopts a market systems approach to decent work.



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