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COOPERATIVE FINANCING PROGRAM

Providing direct funding for cooperatives in rural and urban areas

Cooperatives play a vital role in Morocco's national economic and social development and the fight against poverty. Tragically, cooperatives have suffered significantly from the negative economic impact of the COVID-19 crisis. Most of Morocco's 28,000 cooperatives and micro-initiatives were forced to halt or slow their income-generating activities, affecting close to 600,000 members and employees who directly benefit from cooperative activities. As a result, there is an urgent need for economic relief interventions.

USAID RESPONSE

Complementing USAID's pandemic-related health responses, we are committed to also addressing the secondary impacts of COVID-19. As an economic response, we believe that shock-responsive programs can safely be implemented to support people, especially in rural areas, who have suffered acutely from the economic fallout of COVID-19 and otherwise have been left out of existing safety nets.

Through the Cooperative Financing Program, working capital funding of approximately \$10,000 each will be provided to 960 vulnerable cooperatives to fund their growth needs. Cooperatives will be able to use the financial infusion for equipment, raw materials, other needed materials, production tools, communication and marketing, training, and other similar areas. This program will help alleviate the impact of the COVID-19 crisis while boosting the local economy. It will also create significant benefits in terms of investment and job creation for marginalized populations, including women, youth, and persons with disabilities.

USAID is supporting the Cooperative Financing Program by:

- **PROVIDING DIRECT GRANTS** to cooperatives that will allow them to restart their pre-COVID-19 economic activities.
- **FOSTER COLLABORATION WITH INTERNATIONAL PARTNERS AND LOCAL ORGANIZATIONS AND THE GOVERNMENT OF MOROCCO** to ensure self-reliance.

ANTICIPATED RESULTS

- Provide an economic safety net for cooperatives which lost part or all of their income-generating activities due to COVID-19.
- Increase entrepreneurial capacity of cooperatives by delivering direct grants.
- Generate operational data on the feasibility and efficiency of financing cooperatives.

FACTS & FIGURES

IMPLEMENTING PARTNER:

- GiveDirectly

HOST-COUNTRY PARTNER:

- National Initiative of Human Development (INDH)

BUDGET: \$12,700,000 (including \$6.35 million from GiveDirectly)

DURATION: 2020-2023

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