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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 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 47,000 cooperatives and micro-initiatives were forced to halt or slow their income-generating activities, affecting the livelihoods of close to 700,000 members and employees. As a result, there is an urgent need for economic relief interventions.

USAID RESPONSE

Complementing the U.S. government's pandemic-related health responses, USAID is committed to addressing the secondary impacts of COVID-19. As such, shock-responsive programs can support people, especially in rural areas, who have suffered acutely from the economic fallout of COVID-19, drought, and the recent inflation crisis, and who otherwise do not benefit from existing safety nets.

Through the Cooperative Financing Program, USAID is providing working capital funding of approximately \$9,000 each to 1,400 vulnerable cooperatives to fund their growth needs and become more resilient to shocks and crises. Cooperatives use the financial infusion for equipment, raw materials, production tools, communication and marketing, and training. This program helps alleviate the impact of the COVID-19 crisis, droughts, and the recent inflation crisis while boosting the local economy. It also provides significant benefits in terms of investment and job creation for vulnerable populations, including women, youth, and persons with disabilities.

USAID supports the Cooperative Financing Program by:

- **PROVIDING DIRECT GRANTS** to cooperatives that allow them to restart their pre-COVID-19 economic activities and alleviate the impact of drought and the recent inflation crisis.
- **FOSTERING COLLABORATION** with international partners and local organizations and the Government of Morocco to ensure sustainable socio-economic development.

RESULTS

- Delivered \$11.14 million through cash grants to 1,364 cooperatives with 8,774 members across five regions and 22 provinces
- Successfully targeted underserved groups to receive cash grants in support of USAID's inclusion objectives: 53 percent of recipients are women, 31 percent are youth, and 2 percent are persons with disabilities
- Created an evidence base, through the cooperative funding model, for potential future economic shock responsiveness in coordination with the Government of Morocco

FACTS & FIGURES

IMPLEMENTING PARTNER:

- GiveDirectly

HOST-COUNTRY PARTNER:

- National Initiative of Human Development (INDH)

BUDGET: \$18,200,000 (\$8.35 million from USAID and \$9.85 million from GiveDirectly)

DURATION: 2019-2024

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