



**FRIEDRICH NAUMANN
FOUNDATION** For Freedom.

THE TRANSITION FROM THE INFORMAL TO THE FORMAL ECONOMY

**CASE STUDY: THE TIZWA PROJECT
IN THE VILLAGE OF: AÏT BEN HADDOU**



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Table of contents

—————	I. Executive summary	4
—————	II. Introduction.....	6
—————	III. The Experience of Disadvantaged Women in Rural Morocco - Socio-economic Context and Challenges Encountered	9
	1. The Reality of the "Lower Informal	9
	Sector"	
	2. The Path to Empowerment: Recent	10
	Developments and Trends	
	3. Envisioning the Future: Outlook for	10
	the Informal Sector	
—————	IV. Case Study: The Tizwa Incubation Program. 12	
	1. Brief Overview of the Tizwa Program	12
	2. Tools and Mechanisms: Facilitating	12
	the Shift to a Formal Economy	
	3. Challenges and Opportunities: Insights	14
	from the Program's Initiatives	
	4. Challenges and Stakes of Rural Women's	16
	Transition to Formal Roles	
—————	V. Transition from Informality	22
	to Formality: The Impact of the Tizwa Project	
	1. The Role of Innovation and Training	22
	in Facilitating the Transition	
	2. Immersion and Co-creation: Building	23
	Trust and Stimulating Innovation within	
	Tizwa	
—————	VI. Conclusion and recommendations	25
—————	VII. References	26
—————	VII. About the author	27



I. Executive summary

Originating from the Amazigh term for "Bees," the **Tizwa** project represents a strategic collaboration between the "We Speak Citizen" association and the Friedrich Naumann Foundation for Freedom in Morocco. United by a transformative vision, both entities endeavor to champion the empowerment and holistic development of women. They leverage a diverse suite of instruments, encompassing mentorship, skill-based training, and project incubation, all converging towards one goal: to foster individual autonomy and economic self-sufficiency, thereby amplifying the societal contributions of their beneficiaries.

Distinctive in its approach, **Tizwa's** framework prioritizes the empowerment of marginalized groups within rural territories, commencing its efforts in the villages of Aït Ben Haddou, Skoura, and Aït Zineb during 2021 and 2022. Driven by its core tenets of fostering entrepreneurship and bolstering grassroots initiatives, the **Tizwa** project has subsequently expanded its operations to other agrarian locales such as Ounagha, Zagoura, Tinjdad, and Asni.

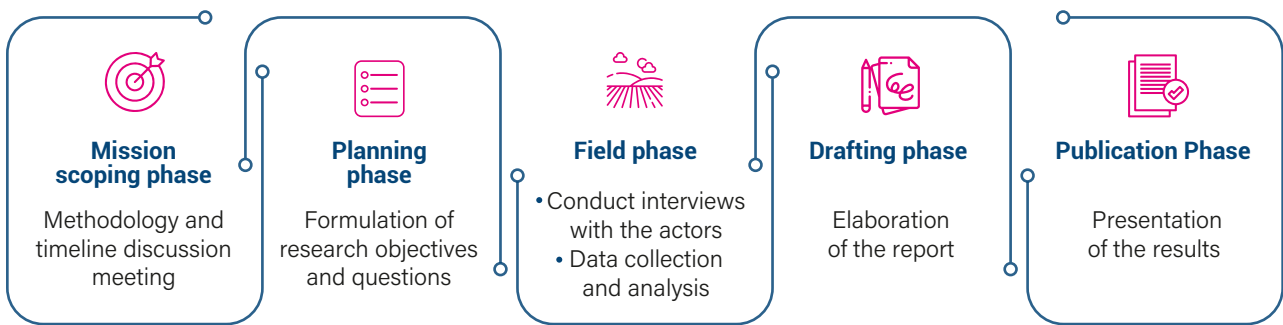
Embedded within the broader context of the "Guiding Principles on Extreme Poverty and Human Rights" as endorsed by the United Nations Human Rights Council in 2012, the **Tizwa** initiative underscores a commitment not just to economic but also to fundamental human rights. By championing income-generating ventures, the project not only catalyzes economic progress but also fortifies the social fabric. This holistic approach is particularly pertinent in countering pervasive challenges like extremism and fundamentalism — issues of global concern that warrant a proactive and enlightened strategy.

On a macro scale, the pervasive nature of the informal economy in Morocco exhibits an inverse relationship with developmental benchmarks. Recognizing this, the urgency to expedite the transition from informality to organized sectors, especially within rural terrains, becomes paramount. Interventions such as **Tizwa** can indeed be pivotal in catalyzing national economic rejuvenation.

From its inception in 2021, the **Tizwa** program has steadfastly emerged as a beacon of transformation. Its comprehensive training modules, covering a gamut of procedural intricacies, legal compliances, and entrepreneurial nuances, have underscored its transformative potential. Testament to its efficacy, **Tizwa's** record of accomplishment boasts the incubation of twenty-four projects annually, with a commendable 95.83% transitioning seamlessly into the formal economic sphere.

In a recent endeavor, June 2023 witnessed a meticulous field study across Aït Ben Haddou, Skoura, and Aït Zineb. This was undertaken to validate prior findings and extrapolate further insights.

A detailed exposition of the current paper's methodology is delineated in the following figure:



| Figure 1: Methodology of the present study

This methodical and structured approach stands as the cornerstone of Tizwa's efficacy. Central to its ethos is the empowerment of

rural communities, seamlessly intertwining with the broader objective of fostering the nation's sustainable development.



| Figure 2: Zakia El Yamani's project pitch for Tizwa's closing in 2022

II. Introduction

The present analysis aspires to delve into the impact of rural development initiatives, with a special emphasis on projects championing women's empowerment, such as the Tizwa initiative. Specifically, it seeks to discern how these endeavors might proffer sustainable solutions to the predominant socio-economic challenges faced in rural settings.

Several sub-issues warrant exploration within the context of this study to gain a nuanced understanding of the intricate and interrelated challenges:

- **How do women's empowerment programs in rural areas contribute to household poverty reduction?**
- **Through what mechanisms can women's economic autonomy affect poverty and inequality indicators in these regions?**
- **How can one measure and evaluate the long-term impact of these programs on communities and socio-economic indicators?**

A meticulous examination of these sub-issues will facilitate a comprehensive grasp of the repercussions of women's empowerment in the realm of rural development. This will highlight their pivotal role in poverty alleviation and seamless integration into a formal economy.

The journey of rural women towards the formal sector is intricate, underpinned by an array of data and studies that spotlight the realities they grapple with. Data shows that in many rural areas in Morocco, women are distinctly vulnerable from a socio-economic perspective.

As per a 2020 report from the United Nations Development Program (UNDP), rural poverty is rife, affecting almost 26% of the rural populace, with women being disproportionately represented amongst the most impoverished. In regards to the informal sector, a 2019 survey by Morocco's High Commission for Planning disclosed that nearly 68% of active rural women operate within the informal sector. Their roles are often marred by precariousness and inadequate compensation, illustrating women's entanglement in the "lower informal sector", typified by limited prospects for accessing social services, social protection, and advancement opportunities.

Against this backdrop, the Tizwa incubation program was established to proactively address these challenges. Internal program data reveal that through instrumental tools like mentorship and training, participating women have been able to cultivate indispensable entrepreneurial skills. For instance, a follow-up study conducted in 2021 showed that 80% of the program's female participants initiated their businesses, thereby creating sustainable employment opportunities in their communities.

In conclusion, the convergence of rigorous research and empirical findings underscores a salient truth: The journey of rural women towards the formal sector, albeit fraught with challenges, is indispensable. Projects such as Tizwa affirm that strategies focused on empowering women can generate transformative results, from fostering entrepreneurship to alleviating poverty. Achieving these milestones, however, demands a steadfast commitment to both innovation and education.



| **Figure 3 : Photo of the historic Ksar of Aït Ben Haddou**

The historic Ksar of Ait Ben Haddou, located in the foothills of the High Atlas Mountains in Morocco, stands as a striking example of Southern Moroccan architecture. This fortified city, or "ksar," is made up of a group of earthen buildings surrounded by high walls, with the collective purpose of defense. The buildings themselves are characterized by their flat, unfurnished roofs, decorated with towers and intricate patterns.

Ait Ben Haddou has a rich history that dates back to the 17th century, and it has been a key location for trade and cultural exchange for centuries. The ksar was a strategic stop for caravans travelling along the ancient trans-Saharan trade route, connecting the Sahara desert with Marrakech and the rest of Morocco.

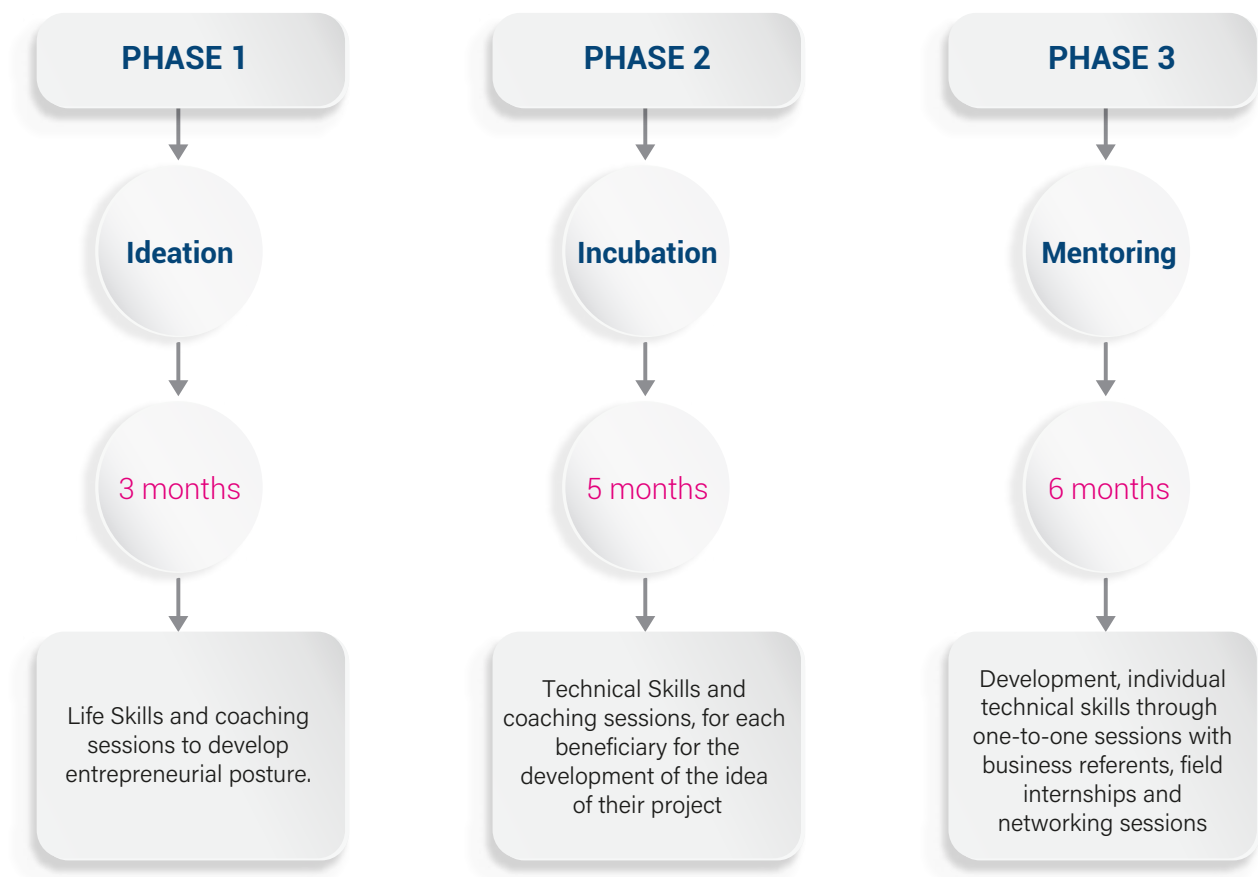
The beauty and historical significance of Ait Ben Haddou have not gone unnoticed; it was designated a UNESCO World Heritage site in 1987.

In addition to its historical and cultural significance, Ait Ben Haddou has gained fame as a popular location for film and television productions. Its dramatic landscapes and well-preserved buildings have provided the backdrop for many films, including "Lawrence of Arabia," "The Mummy," and "Gladiator," as well as the television series "Game of Thrones."

Today, Ait Ben Haddou continues to be a popular destination for tourists and film enthusiasts alike, attracting visitors from around the world who come to marvel at its beauty and learn about its rich history.

The Tizwa program builds upon a promising foundational work, ensuring the success of this approach by considering the active involvement of its beneficiaries in a participatory setting.

Each program cohort spans a period of fourteen months, divided into three phases, as illustrated in the graph below:



| **Figure 4 : The phases of the Tizwa project**

III. The Experience of Disadvantaged Women in Rural Morocco - Socio-economic Context and Challenges Encountered

Rural women in Morocco face an array of challenges. Among these is their significant presence in what can be described as the "lower informal sector." Nonetheless, a series of

favorable circumstances has enabled many of them to embark on a journey toward a degree of self-reliance.

1. The Reality of the "Lower Informal Sector"

The divide between the informal and formal sectors is shaped by varying degrees of structure, internal organization, and compliance with official regulations. Two opposing motivations underlie the informal sector. On one hand, it serves as an informal haven for affluent entrepreneurs, allowing them to evade taxes and social responsibilities toward their employees, while also bypassing the principles of fair competition upheld by formal businesses. On the other, it acts as a fragile safety net against poverty, though it exposes its actors to real risks, such as unpredictable profit margins and limited access to resources.

Women working within this informal framework face an even more vulnerable situation, bearing the weight of socio-economic disruptions while frequently engaged in unskilled and underpaid tasks.

It is essential to highlight that Morocco's economic situation is marked by poverty, instability, and disparities. According to the High Commission for Planning (HCP), the country's economy experienced a significant slowdown due to drought and rising basic commodity prices, causing a contraction of real GDP growth from 7.9% in 2021 to about 1.2% in 2022. While GDP growth is projected at 3.3% for 2023, this growth is insufficient to counteract the rising unemployment rate, which stood at 12.9% by the end of March 2023. In Morocco's rural areas, women's lack of resources can be partly attributed to the fact that domestic labor is often unpaid. When they are employed, they are typically underpaid and perform tasks less valued than those performed by their male colleagues. Climate change compounds these challenges with adverse environmental conditions, especially reduced rainfall and drought.

2. The Path to Empowerment: Recent Developments and Trends

Efforts have been initiated to address these intricate challenges. At home, rural Moroccan women undertake a multitude of responsibilities, ranging from child, elder, and sick care to domestic chores, water and wood collection, and meal preparation. Outside the home, they are also involved in farming, fruit and vegetable harvesting, and livestock care.

Intriguingly, despite these day-to-day challenges, rural women manage to develop skills, abilities, and "soft skills" that equip them to navigate life's adversities. Their experiences and missteps have honed their judgment and adaptability. We observe a form of adaptive informality resilient against harsh conditions.

Harnessing these natural predispositions of rural women becomes crucial, provided they are channeled positively through targeted training.

However, despite their fortitude against daily challenges, rural women still face multiple constraints. Their skills, though grounded in experience, often remain restricted to their specific work scope. They require more in-depth business mechanisms and skills to thrive in the entrepreneurial world. Capacity building goes beyond just identifying latent skills; it also involves making adjustments to maximize the use of these skills and developing new ones.

3. Envisioning the Future: Outlook for the Informal Sector

The "lower informal sector" is heavily influenced by economic and social policies. Its prevalence often reflects the state's inability to cater to the needs of underserved populations, perpetuating a cycle of exclusion and insufficient revenue collection. While the formal sector remains the favored path for sustenance, challenges related to growth and development make its attainment intricate.

Facing budgetary constraints and swayed by market size and its own policies, the state struggles to meet all demands. Even though foreign investments provide employment benefits, their temporary nature does not ensure stable growth. Public institutions, despite their contributions, often fail to generate revenue conducive to consistent growth.

Recognizing the dominance of the informal sector, the Kingdom of Morocco has proactively undertaken strategic measures to facilitate its transition to a more formal framework. Notable steps include:

- **Emphasis on Vocational Training:** To boost competitiveness and better integrate informal workers, training programs like the "New Horizons" Initiative target artisans in the informal sector, providing them intensive training in modern techniques and business management. Other programs like "Skills for the Future" and "Transition Pro" focus on digital professions and career shifts, ensuring that informal workers are equipped for contemporary market challenges while steering them toward the regulated sector.

- **Introduction of the Self-Employer**

Status: Aimed at spurring individual entrepreneurship, this initiative offers a plethora of fiscal and social incentives, encouraging informal sector actors to regularize their status.

- **Promotion of Cooperatives:** By prioritizing the cooperative model, especially in rural areas, the government aims to provide structure to local economic fervor while offering a reassuring legal environment peppered with fiscal and administrative benefits.

- **Financial Incentives:** Through various mechanisms and initiatives, the government provides preferential rate loans or grants to entrepreneurs wishing to legitimize their operations, thereby enhancing their access to financial resources.

Beyond these initiatives, the ambition to incorporate the informal sector into the tax system remains paramount. This assimilation aims to standardize tax rates while ensuring fair rates for informal sector entrepreneurs. In this context, local communities play a pivotal role in fostering an entrepreneurial culture and establishing one-stop rural hubs to support small business creation and their subsequent monitoring.

Nevertheless, the major challenge is transitioning from the informal to the formal sector, capturing more added value within the economy. Rural women, essential in this transformation process, are at its heart. By uplifting them, Morocco is not just advancing the economy but also enhancing its social and cultural fabric.

IV. Case Study: The Tizwa Incubation Program

1. Brief Overview of the Tizwa Program

Before delving into a detailed assessment of the opportunities and challenges intrinsic to the Tizwa program initiatives and analyzing their impact, it is vital to contextualize this program within its historical and economic framework. Such a backdrop helps in better understanding the underlying motivations for its inception and the needs it aims to address.

The COVID-19 pandemic heightened economic and social vulnerabilities across many Moroccan regions. As per a 2020 study, over 30% of households in certain areas experienced a notable decline in their incomes, intensifying existing poverty levels. Official statistics pointed to a significant surge in economic hardships that year, jeopardizing the well-being of numerous Moroccan families.

In light of these escalating economic challenges, the Tizwa program emerged as a beacon of hope, emphasizing empowerment of inhabitants of the hardest-hit regions, with special focus on women's empowerment. More than just an economic response, Tizwa represents an enduring commitment to these areas. The program transcends merely integrating women into the formal sector; it equips them with tailored training and resources, thereby rejuvenating and diversifying the economic fabric of these regions. Hence, Tizwa champions a brighter and prosperous future for these communities.

2. Tools and Mechanisms: Facilitating the Shift to a Formal Economy

The Tizwa project leans on three key tools to achieve the transition to a formal economy: ideation, incubation, and mentorship.



| Figure 5: Prerequisites for formalization

A. Ideation phase

In this preliminary phase, beneficiaries are actively encouraged to tap into their inherent abilities to generate constructive ideas. Guided by personal development sessions and personalized mentorship, they adopt an entrepreneurial mindset and are poised to make informed decisions regarding their project implementations. Each participant thrives within a collective intelligence framework, fostering innovative idea proposal and innovation, imbued with trust.

The process kicks off with a call for applications from communities backed by "We Speak Citizen" to select profiles that will receive support over three-months. By the end of this step, beneficiaries should have embraced an entrepreneurial attitude, identified their needs, solidified their project ideas, and honed the skill to navigate complex environments. This ability is assessed through a "pitch" exercise, where they present their project concisely, overcoming hurdles, accurately defining their target market, and positioning their offering in the market. Ultimately, beneficiaries should present their team and project, envisioning a span of at least two years.

B. Incubation phase

This phase aims to equip beneficiaries with the pivotal skills to navigate legal and financial facets, while providing insights to better understand their market, challenges, and opportunities. During the business model design and business plan drafting, the incubator ensures that beneficiaries remain receptive to innovative ideas enhancing their ventures.

Upon completion of this phase, beneficiaries should map out a roadmap for their project. They should optimize their business models, assuring their market competitiveness, clearly identifying their target clientele, setting realistic goals, crafting a fitting strategy, and ensuring the availability and adaptability of necessary resources and tools. The business plan crafted by beneficiaries will include their intentions, alternative strategies, control of projected activities, and the rationale behind their decisions. Acquired practical skills will span areas like finance, human resource management, supply chain management, operations, marketing, and sales. All this groundwork will culminate in a final "pitch" in front of investors or financing structures, encompassing all the elements crucial for validation moving to the next phase.

C. Mentorship phase

Mentorship goes beyond mere experience transfer; it is a deep dive into the real-world entrepreneurial realm. Over six months, each beneficiary pairs up with an experienced mentor from the professional world. The aim is to refine their technical skills, gain insights from tangible feedback, and tackle challenges specific to their ventures. These one-on-one sessions are complemented by networking opportunities, allowing entrepreneurs to meet other industry players, such as potential investors and partners. At this mentorship phase's conclusion, a three-day networking event is organized, granting beneficiaries a platform to present their progress, foster strategic collaborations, and seamlessly integrate into the entrepreneurial ecosystem.

D. Trainers' feedback

Following the execution of the three phases, our trainers shared their insights. Overall, the trainers expressed satisfaction with the training's efficacy, which proved successful due to the utilization of diverse educational tools like interactive workshops, group exercises, presentation activities, training materials, and teaching tools. Role-playing, situational simulations, card games, theatrical enactments, inspirational narratives, and visual aids enriched pedagogical methods.

Trainers pinpointed several elements that significantly contributed to beneficiaries' success in implementing their businesses,

including establishing legal statuses, effective time management, teamwork, establishing a recognizable brand, the ability to issue invoices and purchase orders, and mastering delivery logistics.

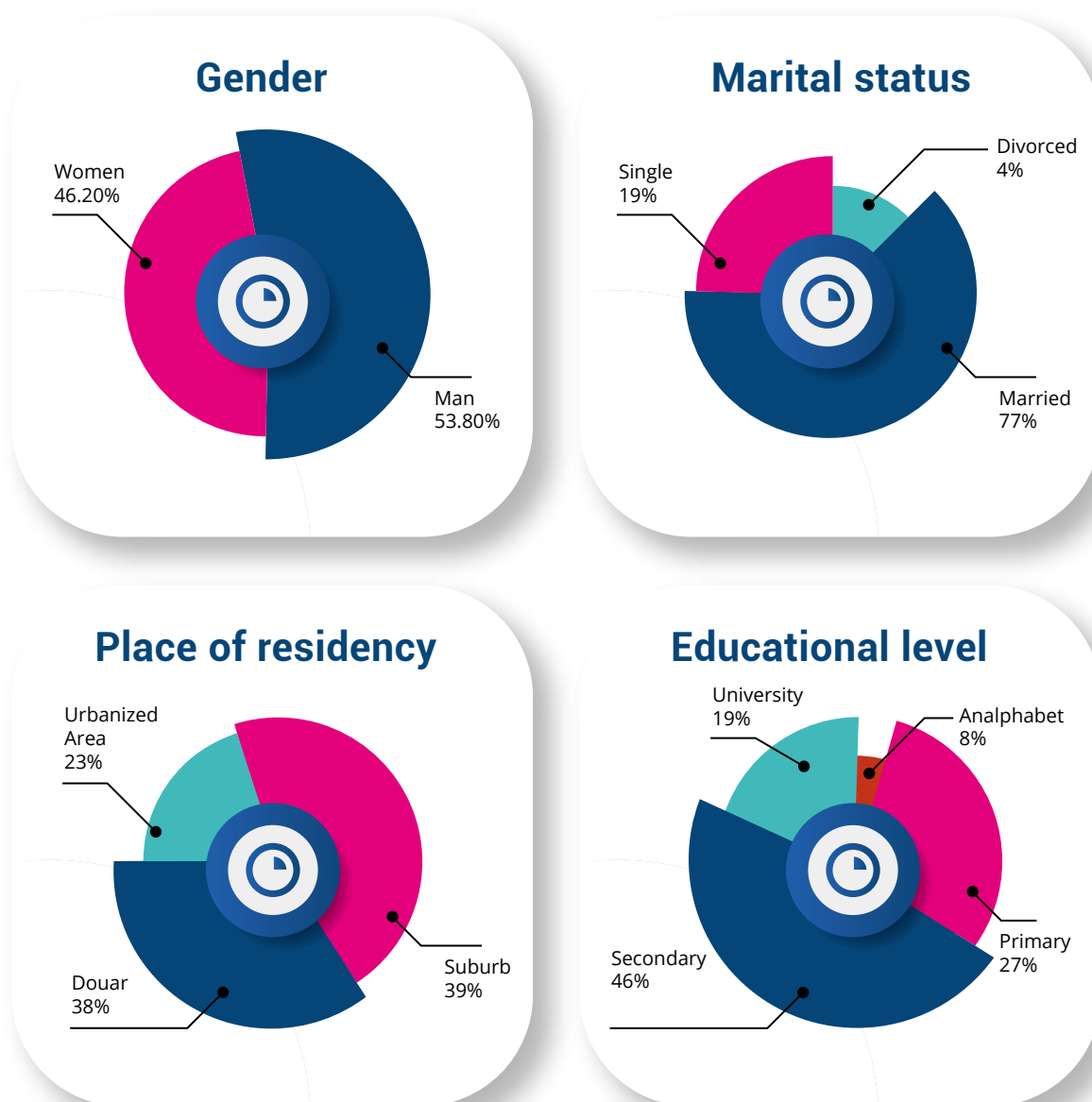
The Tizwa project provides a comprehensive framework to guide emerging entrepreneurs in their transition to the formal economy. With well-defined phases and input from adept trainers, participants are equipped to actualize their entrepreneurial visions. The future for the Tizwa project looks promising with exhilarating opportunities for upcoming cohorts.

3. Challenges and Opportunities: Insights from the Program's Initiatives

The program's initiatives, while promising, are not exempt from time and environmental constraints. These initiatives must face challenges and capitalize on the opportunities that arise.

Interviews were conducted on a sample of 26 beneficiaries, mainly young people, with an average age of 35. Among them, 46.2% are women. Households in this region have an average of five members, typically comprising

the father, mother, and children. Siblings generally do not reside with them. Among the inhabitants, 57% are engaged in agricultural activities such as beekeeping, poultry and livestock farming, while 35% work in the tourism sector as restaurant owners, sellers, or guides. Others practice trades like masonry, painting, and selling traditional handmade items. It should be noted that some beneficiaries might have multiple jobs depending on the season to meet their needs.

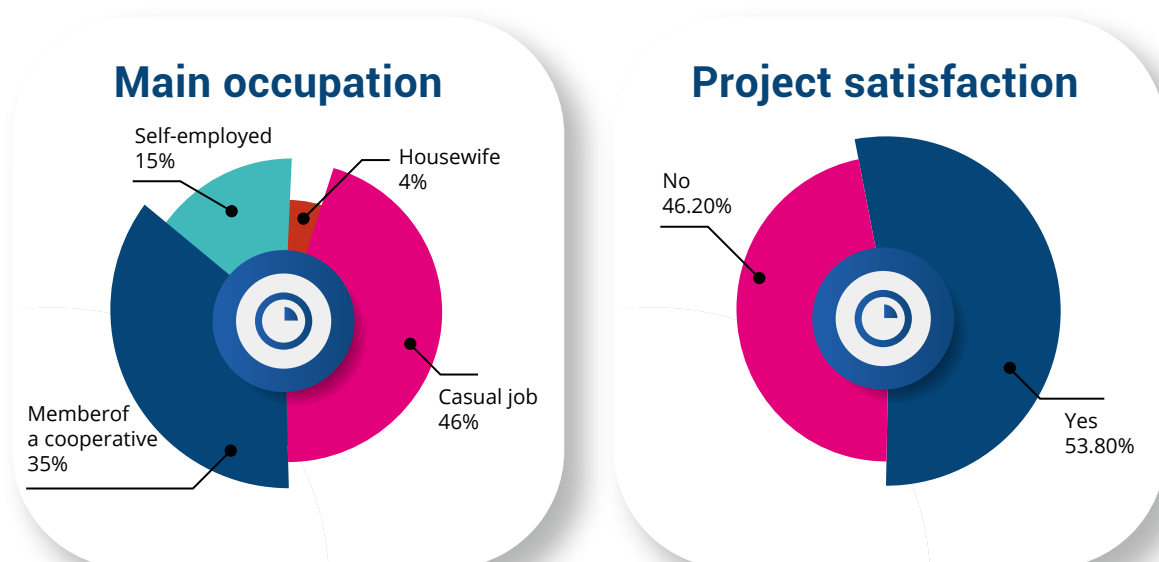


| Figure 6: Survey participation statistics of the project beneficiaries

However, among the female beneficiaries, 66% actively engage in economic activities without any restrictions. The remaining third of the women face various obstacles: 33.33% are due to traditional beliefs, 30% due to their husbands' preferences, and 20% due to a fear of change. Some also mentioned a combination of these factors.

Several factors influence women's economic participation. Based on the survey results,

84.6% of respondents stated explicitly that women in Aït Ben Haddou were not subjected to gender-based violence, child marriages, or gender discrimination. Furthermore, 50% of the male respondents reported directly participating in domestic chores. The data pertaining to the current professions of beneficiaries, coupled with their stated job satisfaction rates, is instrumental in evaluating the Tizwa project's effectiveness.



| Figure 7: Occupancy and satisfaction statistics for project beneficiaries who have formalized their project

The barrier of fear, seen as a significant impediment to women's economic participation, has been largely overcome according to the testimonies gathered. Many women had to overcome their apprehension, stemming from long periods of silence imposed by male dominance, to develop the courage to speak out and assert their views. This evolution underscores women's resilience against socio-cultural barriers.

However, tangible challenges remain, especially concerning administrative hurdles and funding. The legal registration of a business name and logo for example requires a certificate, which confirms that this very name and logo is still available ("certificat négatif"). The respective authority is often slow at issuing these certificates, which is one common source

of major concern. Moreover, some places struggle with timely water supply issues and access to the solar energy required for agriculture. Interestingly, computer skills are becoming increasingly essential to cater to the changing needs of the economy.

On a positive note, women display immense resilience and overcome traditional gender barriers thanks to supportive national policies and increased educational opportunities. They also benefit from funding and incubation programs, as well as national initiatives aimed at strengthening their empowerment. These combined efforts with experiences have enabled women to thrive in formal sectors, as demonstrated by the attached chart, displaying their ability to excel and contribute significantly to the economy.

Topics	Actions
Breaking Down Traditional Barriers	Women are increasingly liberated from traditional constraints, allowing them to actively engage in income-generating activities without being hindered by domestic responsibilities.
Educational Opportunities	Thanks to national strategies such as the 2030 Vision for Education and Training, barriers to pursuing higher education are diminishing, thus preparing women to thrive in more structured sectors.
Financial Support for Growth	Through initiatives like the Moroccan Innovation Strategy, there is an increasing availability of funding tailored for entrepreneurship, allowing female.
Incubation Programs	With the backing of national policies and frameworks, initiatives like the Tizwa program have been established to nurture entrepreneurial talent. These programs provide the necessary tools, knowledge, and mentorship, ensuring that women are well equipped to succeed in formal business environments.
National Strategies for Women's Empowerment	The National Initiative for Human Development (INDH) stands as an example of a strategy aimed at reducing social inequalities and promoting the economic integration of women, especially in rural areas.
High Satisfaction Rate	A substantial portion (46.2%) of beneficiaries express their satisfaction with their projects, indicating the effectiveness of these national initiatives and strategies.
Valuing Past Experiences	Women capitalize on their experiences, combined with the support of national frameworks, to find success in formal sectors.

| Table 1: Important opportunities in women's transition to formal roles

Observation

Beneficiaries of the Tizwa project have successfully broken through traditional constraints that previously limited their participation in income-generating activities. It is noteworthy that no woman benefiting from the project feels hindered by domestic responsibilities when it comes to engaging in economic activities.

Among those surveyed, a significant proportion, 46.2%, express full satisfaction with their project, while others continue to work towards improvements that are more formal. This satisfaction is primarily attributed to the ability to generate additional income to cover their family's daily needs.

Tizwa project beneficiaries have also managed to capitalize on their experiences, which has facilitated their adaptation to the innovations introduced by the project. This adaptability underscores the importance of prior experience in the success of transitioning to more sectors that are formal.



4. Challenges and Stakes of Rural Women's Transition to Formal Roles

Sociocultural resistance and generational changes pose major hurdles in the transition of women to formal roles. Additionally, administrative barriers, limited resources, and

skill gaps present as added challenges impeding this shift. Specifics of each factor are detailed in the table below:

Factor	Description
Sociocultural Resistance	Deep-rooted resistance to female employment or entrepreneurship, especially among older generations influenced by male-dominated societal norms, directly affects women's transition to a formal role.
Generational Change	Societal transformation is evident among younger generations (Y and Z) who are more open to change, influencing the pace of women's transition to formality.
Reluctance to Communicate	For many women, the transition from enduring enforced silence to finding the courage to speak up can significantly influence their ability to progress in formal sectors.
Administrative Obstacles	Administrative barriers, particularly those related to business formation and operations, such as delays in obtaining a "certificat négatif", can hinder women entrepreneurs' smooth transition from informality to formality.
Resource Challenges	The need for timely water supply and integration of solar energy can affect women engaged in agricultural entrepreneurship, thus impeding their move to more formal structures.
Skill Gaps	The emergence of IT skills as a necessity points to a gap that might hinder women's transition to formal sectors, especially given the growing significance of technology in business operations.

| Table 2: Major challenges in rural women's transition to formal roles

Understanding the aforementioned challenges is critical in devising suitable and targeted solutions.

A. Addressing Specific Needs of Rural Areas

While the program beneficiaries have some knowledge of their environment and the challenges associated with obtaining permits, such as the complexity of administrative

formalities and prolonged waiting times, it remains imperative to bolster their skills. In this light, the use of program implementation tools becomes crucial. These training tools are meticulously designed to enable the learner to actively participate in content creation, building on solid foundations.

It is pivotal to emphasize that the specific needs of rural areas must be addressed for coherent project implementation. This includes access to

water and solar energy to support agricultural activities, and the establishment of hives suitable for producing bee products. Regarding the tourism sector, infrastructures such as rest areas, catering services, and excursions should be considered to meet local needs.

Moreover, moving to the formal sector allows beneficiaries to forge constructive ties with the ecosystem. This offers the chance to defend their interests as recognized players, secure greater support, and more effectively overcome arising hurdles. This transition to the formal sector thus proves to be a vital step in bolstering beneficiaries' resilience and long-term success.

B. Strengthening Hope and Economic Independence

Livelihood encompasses various aspects, including skills to be developed, available resources (natural, physical, social, and financial), opportunities to seize, and income-generating activities. The Tizwa project played a pivotal role in strengthening beneficiaries' capacities, previously underutilized, by presenting accessible prospects.

Entrepreneurship or employment opportunities are tightly linked to exploitable resources. Based on collected testimonies, training initiatives have significantly aided in transitioning individuals out of the informal economy, providing them the necessary tools

to explore new markets and manage their ventures. The impact of these initiatives on livelihoods is unanimously recognized as vital for enabling beneficiaries to meet their needs and enhance their quality of life.

C. Improving Women's Living Conditions

Living conditions encompass how each individual manages their familial, political, and social environment. It is crucial to mention that women have a significant influence on their marital status, which can be affected by issues like early marriage or divorce. Moreover, they play a decisive role in their quality of life by controlling access to essential resources like land, water, and electricity.

In our study, while participants observed the prevailing conservative milieu, an encouraging 66.66% of women from Ait Ben Haddou reported facing minimal barriers when engaging in economic activities.

Moreover, the emphasis on using local products and developing regional skills strengthens local cohesion, thereby contributing to the region's economic boom.

The compartmentalization that previously characterized an isolated rural area is now replaced by networking that broadens trade relations and growth prospects.

D. «Tawesna » : A female community project

In the formal sector, the Tawesna project aims to regularize the activities of the involved professionals, that are 100% women, establishing official relationships with decentralized authorities, especially tax and social security services. This formalization allows beneficiaries to avail of public services specifically for agricultural and commercial activities while dealing with clients and suppliers within a set legality.

The observed successes in the transition from the informal economy to the formal sector attest to the notion that what was considered impossible is actually relative, and audacity and perseverance reap rewards. A tangible example is the "Tawesna" solidarity tea salon, an initiative created by women, for women, and managed by women. This enterprise serves as a success model in promoting female entrepreneurship.



| Figure 8: Photo of the TAWESNA project premises

V. Transition from Informality to Formality: The Impact of the Tizwa Project

The situation of women in Morocco, as outlined in reports from the OECD (Organization for Economic Co-operation and Development) and the World Bank, paints a complex picture. Over the past decades, Morocco has made significant strides in enhancing women's access to education. The country has implemented educational reforms aimed at addressing gender disparities, allowing an increasing number of women to acquire skills and qualifications.

However, in spite of these advances, challenges remain. Moroccan women continue to grapple with economic and social

inequalities. The wage gap between men and women remains a concern, with significant pay disparities. Women are often underrepresented in leadership and influential positions within companies and institutions, which restricts their leadership opportunities.

It is noteworthy that these challenges are often tied to cultural and societal factors, and progress towards gender equality can be hindered by traditional gender norms. However, Morocco has also taken steps to promote women's empowerment, including enacting laws to bolster their rights.

1. The Role of Innovation and Training in Facilitating the Transition

Innovation and training play a pivotal role in facilitating the transition from the informal to the formal sector. The Tizwa project perfectly illustrates how these two components are integrated to promote this transition. It is vital in assisting beneficiaries to move from the informal to the formal sector. The Tizwa project embodies this notion through:

- **Exploring New Avenues:** The Tizwa project encourages beneficiaries to explore innovative approaches for their individual projects. It pushes them to think outside the box and leverage both natural and human resources creatively.

- **L'amélioration des méthodes et des outils:** The Tizwa project aims to refine the methods and technical tools used by entrepreneurs. This transformation from informal production to formal standards is crucial for success in the formal sector while exploring ways to cut down on costs previously deemed unavoidable. This bolsters the competitiveness of individual projects and increases their chances of success in the formal sector. Moreover, this process encourages job creation around these formal projects by broadening their scope and diversifying their interactions. This benefits the local community as a whole.

▪ **Skill Enhancement through Training:** Training is paramount to ensure a smooth transition to the formal sector. In this regard, the Tizwa project offers an in-depth training program that allows beneficiaries to turn their knowledge and skills into tangible initiatives. This training spans essential areas like management, accounting, finance, taxation, trade, and communication. Additionally, the Tizwa project emphasizes skill diversification, including modules on

human resource management, supply chain, operations, marketing, and sales, ensuring beneficiaries are fully equipped to face the challenges of the formal sector.

▪ **Targeted Mentorship:** At the core of our training program, mentorship plays an indispensable role. It guides beneficiaries in the optimal application of their newly acquired skills, thus ensuring efficient management and sustainability of their individual projects.

Observation

Overall, Tizwa exemplifies how innovation and training are holistically integrated to facilitate the transition to the formal sector. These elements assist beneficiaries in moving away from informality, establishing sustainable individual projects, and accessing improved economic opportunities. By blending innovation and training, the Tizwa project effectively prepares entrepreneurs for success in the formal sector, contributing to local economic development and enhancing the living conditions of beneficiaries.



2. Immersion and Co-creation: Building Trust and Stimulating Innovation within Tizwa

Before the Tizwa project's implementation, "We Speak Citizen" association undertook an in-depth immersion approach. By seeking permission from the tribal chief and working on the ground for a year, they were able to understand the authentic needs of the local population. This meticulous approach not only

eliminated any distrust or suspicion but also grounded the project on a foundation of mutual trust, dispelling the notion of a mere external intrusion. This trust cultivated a genuine environment, fostering open and transparent communication between the project team and the community.

Through this immersion, the local community felt involved in the project's design, actively participating in its formulation. Community members could share insights about local needs, opportunities, and challenges, tailoring the project to the region's unique realities. Moreover, it identified innovative solutions through close collaboration between the project team and the community. Fresh ideas emerged from this collaboration, leading to the development of novel approaches to problem-solving and promoting sustainability.

Immersion served as a catalyst for realizing sustainable individual projects within Tizwa. It broke down barriers of mistrust, spurred community involvement, uncovered innovative solutions, and ensured a project design tailored to local needs. This proactive approach significantly contributed to the project's success and sustainability while supporting beneficiaries' transition to the formal sector.

Observation

In the context of initiatives inspired by the Tizwa project, it can be concluded that the implementation of best practices and policies is vital to amplify the transition to sustainable individual projects. The three primary pillars identified, namely personal responsibility and action, skill transfer, and participatory implementation, play a central role in this process.

By encouraging beneficiaries to take charge of their economic development, the Tizwa project embraces a personal responsibility approach.

Skill transfer, facilitated by deep immersion and a participatory approach, broadens beneficiaries' horizons, thus enhancing their productivity and ability to meet market demands.

Lastly, participatory implementation promotes continuous learning and strengthens social cohesion within local communities. This legacy of knowledge and invaluable experiences aids in overcoming challenges and designing projects more attuned to the beneficiaries' genuine needs.

By amalgamating these best practices, the Tizwa project illustrates how individual projects can effectively enhance living conditions and livelihoods in rural areas. Recommendations for partners and public authorities, aimed at simplifying procedures, easing access to financing, and infrastructure development, offer a strategic framework to further boost this transition.

Thus, by implementing these policies and practices, initiatives inspired by Tizwa can act as catalysts for economic and social development, creating sustainable opportunities for local communities and strengthening the social fabric in a spirit of shared responsibility.



VI. Conclusion and recommendations

This document highlights the pivotal role of transitioning from the informal sector to sustainable individual projects in improving living conditions in rural areas. The success of the Tizwa project serves as an example, demonstrating the impact of promoting liberal principles and underscores that several key factors are essential for this transition.

Education and Awareness:

- It is imperative to raise awareness and educate beneficiaries about the benefits of formality, emphasizing the importance of entrepreneurship as an expression of individual freedom. This can be achieved by shedding light on the opportunities presented by this transition.
- Comprehensive training programs must accompany this awareness drive. Such trainings should encompass business management, accounting, taxation, finance, and other areas relevant for rural entrepreneurs.

Support for Entrepreneurship:

- Practical support for rural entrepreneurs is crucial. By setting up business incubators, counseling and orientation units, as well as platforms for experience sharing, a participatory framework conducive to long-term success is established.

The role of Civil Society:

- Involved partners need to play an active role within civil society. Their responsibility extends to promoting awareness, education, and practical support for rural entrepreneurs.
- Legal security and respect for private property are vital in encouraging initiative and investment.

Advocacy with Authorities:

- Effective advocacy needs to be pursued with public authorities. Specific recommendations include simplifying administrative procedures, reducing tax burdens, facilitating access to financing, and strengthening infrastructures such as electricity, potable water, telecommunications, and road infrastructures.

Looking Forward:

Implementing these recommendations will catalyze the transition towards sustainable projects in rural areas, thus contributing to economic development and social cohesion. Involved stakeholders have a duty to collaborate in translating these ideas into tangible and positive realities for rural populations.

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VII. About the authors



Meriem Rhoflane

is a distinguished expert in governance and technical consulting. She brings to national and international organizations her profound expertise in the execution of development projects, change management, strategic and operational planning, and project evaluation. Moreover, she adeptly leads capitalization processes.

With a rich professional journey spanning over 13 years, Meriem has significantly contributed to the composition of numerous guides. These collaborative efforts, in partnership with the General Directorate of Territorial Communities and various non-governmental organizations, encompass topics ranging from public policies to citizen participation and beyond.

An alumnus in sociology, Meriem's fervor extends to scientific research and the meticulous documentation of change processes and best practices in projects. She holds the philosophy that "it's imperative to capture our present moments, as they will craft the history of tomorrow."



Chaimae Bourjij

Is currently project coordinator for the Friedrich Naumann Foundation for Freedom in Morocco. In parallel, she is founder chairwoman of the International Youth Council – Morocco chapter. Previously she co-founded the Sustainable Development's Youth Association which won mobilizer of the SDG for the year 2018 by the UN SDG Action Campaign. Mrs Bourjij upon graduating with a Master's degree in Auditing and Management control, has participated in several symposiums as a youth inclusion expert and youth representative. Mrs Bourjij was member of official youth delegation in the Open Government Partnership Summit in Ottawa, Canada 2019 and youth representative in the closing panel, she also was the only youth representative in the MENA-OECD Meeting in 2019 and was awarded by the Tariq IbnZyad Initiative, 'Espoir' Hope of 2019.

Mrs Bourjij is a MENA ambassador for "She decides" and leader of the movement locally since 2020.

Mrs Bourjij's commitment is driven by the intention to familiarize young people with decision-making processes and strengthen their capacities under the aegis of democratic governance.

