THE UNTAPPED POTENTIAL OF MAURITANIA’S ENTREPRENEURIAL ECOSYSTEM

LESSONS FROM THE ENTREPRENEUR’S MARATHON

AUGUST 2019
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ACKNOWLEDGMENTS

This report was prepared under the leadership of Cristina Navarrete Moreno, Private Sector Specialist at the World Bank, with the support of Niamh O’Sullivan, Gender Consultant, and Vincent Kienzler, Private Sector Consultant. This report would not have been possible, however, without the valuable contribution of several colleagues.

We are grateful for the many suggestions and contributions received from Anne Ytreland, Cornelia Tesliuc, Diletta Doretti, Elaine Tinsley, and Haroune Sidatt. We thank Alexandre Laure, Laurent Corthay, Raquel de la Orden, and Simon Pierre Jules Ducheatelet for their extremely helpful support and guidance in designing and delivering the Entrepreneur’s Marathon program.

Our gratitude also goes to Laurent Msellati, Mauritania Country Manager, Consolate Rusagara, World Bank Practice Manager for West Africa, and Alejandro Alvarez de la Campa, IFC Practice Manager for MENA and Africa who offered insights and constant support to deliver on this Advisory Service and Analytical work.

The report uses data and information gathered by Hadina RIMTIC, SahelInvest, and the Youth Chamber of Commerce (JCCM). We wish to acknowledge the inputs received from these partners and their teams, and the particular efforts of Aissata Lam, Diagana Sidi Mohamed, Lalya Kamara, Mariem Kane, Teslem Zeln, and Zeinebou Abdeljelil.
INTRODUCTION

Supporting youth entrepreneurship and start-up creation in Mauritania

In Mauritania – a country dominated by the Sahara Desert and defined by tradition – players from across society are coming together to encourage innovation and set a new path for the country’s development. From the public sector to local and international businesses, as well as the donor community, entrepreneurship is beginning to emerge as a crucial element in any strategy to address Mauritania’s greatest challenges: socio-economic inclusion, poverty reduction, youth employment, economic diversification and climate change.

Since independence, the country has pursued a traditional state-driven model that has failed to catalyze the necessary investments and private sector-driven solutions to these problems. Due to structural limitations of competition in the economy, the country’s private sector is a concentration of large business groups that dominate the trade, banking and procurement markets. New entrants are crowded out, with formal micro, small and medium enterprises (MSMEs) in Mauritania numbering a mere 3,000. Informal self-employment and micro-businesses in agriculture, livestock and commerce currently make up the vast majority of jobs among the poorest households in Mauritania. Smaller independent firms continue to encounter obstacles, discouraging the emergence of local suppliers and directly impacting international investors who face higher operating costs. Poor quality in education and professional training reinforce these challenges, limiting job opportunities even in expanding sectors in the economy. A lack of expertise and practical skills are compounded by complex labor regulations, making it even harder for businesses to recruit and retain young job-seeking Mauritanians.

Increasingly, however, entrepreneurship’s profile has risen across many circles in Mauritania, not least among young people. Responding to a survey in 2016, 77% of young Mauritanians expressed strong motivation to launch their own business though just one in five felt “fully ready” to embark on their entrepreneurial adventure. Entrepreneurship represents hope to many young people who perceive fewer and fewer opportunities in the public sector, as well as traditional rural sectors which has also resulted in the mass exodus of particularly men and young people to already-overpopulated urban areas. Nouakchott alone is now home to over one million Mauritanians (27% of the total population).

Mauritania’s population is predominantly young and urban, constituting both a major opportunity and risk to the country. 60% of working-age Mauritanians are young and especially vulnerable to unemployment. Nearly half of the country’s entire youth population (47%) is neither working nor attending school. Those who do work, meanwhile, tend to do so informally (just 16% of jobs are in the formal sector), with all the associated risks, including to human rights from underemployment. Young people’s presence on the labor market is further dampened by an especially low participation rate from women who account for just one in four jobs. Girls and young women are also more likely to drop out of school as well as suffer from restrictive social norms that favor women’s exclusion from economic activities, particularly in the formal sector. Moreover, with a poverty rate of 33%, the need to deliver on job opportunities for young people in Mauritania is intrinsically linked to economic inclusion. After a decade of poverty reduction and development policy primarily targeting pure economic growth, the Government launched a new iteration of its development strategy - the SCAPP - that emphasized socio-economic inclusion and delivering on shared prosperity (one of the twin goals of the World Bank Group) and sustainable development.

1 Mauritanian Ministry of Economy, 2019, Guichet unique création d’entreprise, Direction Générale Promotion du Secteur Privé.
2 World Bank and Centre Mauritanien d’Analyse des Politiques (CMAP), 2016, Mauritania Rapid Labor Market Diagnostic Survey on Youth Employment Constraint.
4 World Bank, 2018, Mauritania: Transforming the Jobs Trajectory for Youth Policy Note.
Fostering a more dynamic and entrepreneurial private sector is critical to generating new sources of growth, creating employment for Mauritania’s 2.3 million-strong young population and boosting social inclusion. This requires not only creating new startups and MSMEs, but also boosting the productivity and growth of existing ones. The country has made some strides in its investment climate in recent years, gaining 28 places since 2015 in its Doing Business ranking from 176th to 148th thanks to reforms in trade across borders, property and starting a business. Nevertheless in 2018, Mauritania ranked 131st out of 140 countries in the Global Competitiveness Index (GCI) and 136th out of 137 countries in the Global Entrepreneurship Index (GEI). These indexes measure a country’s ability to provide high levels of prosperity to its citizens and the relative health of its entrepreneurial ecosystem respectively. Mauritania’s business environment is still daunting to many aspiring entrepreneurs, who know they will have to navigate a myriad of challenges while starting and maintaining their business, both at the individual level (lacking in technical skills and access to finance, information and networks, as well as behavioral and cultural norms relating to age, gender or ethnic group) and within markets and the economy (small local markets, downturns in international demand, an unfavorable regulatory environment and a lack of responsiveness between supply and demand). Mauritania’s nascent ecosystem needs to be able to support the rapid expansion of an inclusive MSME sector. This was the vision for the World Bank (WB) Support to Youth Entrepreneurship and Climate Change in Mauritania and now the IFC Mauritania Investment Climate and Entrepreneurship Advisory projects.

The purpose of these World Bank Group projects is to increase private investment and create jobs – especially for women and youth – in Mauritania, by improving the business environment and strengthening the paths to employment in entrepreneurship. In the short-term, this means boosting the skills of high potential entrepreneurs and raising the capacity of the public and private organizations that support them. While the WB team recognizes that the vast majority of entrepreneurs in Mauritania are subsistence-based, the purpose of these activities is to help budding entrepreneurs identify and exploit opportunities in local markets and establish businesses that can generate jobs and value, which is why we target high-capacity young people rather than the typical profile of a Mauritanian entrepreneur. Over the medium and long term, World Bank projects will encourage the Mauritanian government to enact reforms that stimulate the investment climate and access to finance for start-ups and MSME.

Taking an ecosystem approach, the WB team partner with incubators in order to boost the quality of new businesses and help ensure their survival over time. By supporting both the businesses themselves and those responsible for getting them investment-ready, including through capacity-building for incubators, WB’s strategy is to strengthen the local private sector’s ability to develop businesses from within. Hosting events that bring various incubators and other business-supporting organizations - both public and private - together for ecosystem-wide discussions not only encourages greater collaboration, it also reinforces local capacity to nurture new and young start-ups and maximizes buy-in from as many stakeholders as possible. Mentoring from other incubators and key industry experts from around the region, meanwhile, will foster lasting institutional improvements and improve local markets’ ability to withstand shocks. Joining forces with local players has also provided us with keen insights into the Mauritanian ecosystem and the businesses that make up the private sector landscape. This not only helps us document results and lessons learned, it has also generated much-needed data and analyses that will feed into more tailored interventions and advocacy in the future. The project’s flagship initiative has been the startup competition, the Entrepreneur’s Marathon. A nod to the perseverance and stamina it takes to launch and run a successful business, the Marathon consists of a national Caravan to promote entrepreneurship across the country, followed by a 42-day intensive incubation

5 62.8% of the population was under 25 years old in 2018.
program of technical assistance, mentoring, public speaking support and peer learning among other critical skills. As the report will elaborate, the competition has taken place annually since 2017, with ten winning teams receiving funds of between US$ 5,000 and 11,000. Finalists were guided by local implementing partner incubators, Hadina RIMTIC (2017) and iLab at the Youth Chamber of Commerce (2018), as they developed their business plans and prepared to pitch their businesses to investors and the jury during the final. A post-incubation training program for the 2017 and 2018 winners is ongoing, with a special focus on investment-readiness.

As always, inclusion and sustainability are the cornerstones of WB activities in Mauritania. Youth employment represents a major strategic development priority for the country and lies at the heart of breaking intergenerational poverty. These projects are therefore designed to raise awareness and understanding about women and young people’s central role in the economy, as well as encourage them to engage in entrepreneurship themselves. Targeting young audiences – particularly young women who need more encouragement – and facilitating their participation by collaborating with youth organizations have been key strategies of the Marathon to maximize impact and have already resulted in near gender-parity among applicants and finalists to the competition in 2018. The success of this modest program so far is based on our gradual approach, taking the necessary time to understand the context and stakeholder dynamics, capacity and overlapping goals, before moving on to impact. All our activities and analyses have developed in partnership with other players as part of an ecosystem-oriented strategy.

Another major objective of the Marathon is to collect data on entrepreneurial activities in Mauritania and the ecosystem as a whole. The quality of data collection and analysis in Mauritania leaves much to be desired and the country is often left out of worldwide analyses of private sector development and entrepreneurship, including regional reports. This makes it extremely difficult to both design and implement programs, as well as effectively lobby the government for better policies. The Marathon’s Monitoring and Evaluation (M&E) component is designed with these challenges in mind, seeking to fill some of the gaps and gain insights particularly on the population’s engagement with entrepreneurship (both micro-entrepreneurship and more formal businesses), the appetite among young people to run their own company and the capacity of the ecosystem to meet entrepreneurs’ needs.

The objective of this report is to describe and assess the Entrepreneur’s Marathon within the context of Mauritania’s overall entrepreneurship ecosystem, based on primary and secondary data analysis. Section 1 provides a summary of the key phases of the Entrepreneur’s Marathon and highlights results and recommendations for practitioners interested in replicating or scaling similar initiatives. Section 2 presents the aspects that not only characterize the Mauritanian startup and entrepreneurial ecosystem but are also crucial for private sector development, as well as for promoting entrepreneurship. The report concludes with recommendations that are imperative for government, donors and key stakeholders to consider moving forward with the entrepreneurship agenda if existing challenges are to be addressed.

This report and these projects would not be possible without the financial support of the Government of Japan. WB activities have been developed in parallel with innovation and entrepreneurship work under the FCI Global Practice (formerly T&C), as well as with the support of a grant from the World Bank Climate Technology Program (CTP) to facilitate the 2018 Marathon’s post-incubation program and other activities in the ecosystem.
A. THE ENTREPRENEUR’S MARATHON

The main purpose of the Entrepreneur’s Marathon startup competition is to promote entrepreneurship in Mauritania, thereby kick-starting inclusive economic growth through job creation and increased revenues from new start-ups and SMEs. Based on a preliminary assessment conducted in 2016, which demonstrated the existence of innovative business models in Mauritania, the World Bank team decided to launch this novel and first-of-its-kind initiative in the country. Three key results for the Marathon were expected: 1) Firm level results - entrepreneurs and enterprises, 2) enabling environment results - improvements to the operating environment for new entrepreneurs and entrepreneurial culture, 3) ecosystem level results - data collection to better understand the exact needs and opportunities to develop an effective and sustainable ecosystem. For entrepreneurs and business specifically, the World Bank hopes to see a higher number of self-employed individuals and micro-entrepreneurs, increased incomes for self-employed individuals and micro-entrepreneurs, creation of new startups and MSMEs, more jobs in start-ups and in existing SMEs, increased revenues and a higher survival rate of startups and MSMEs. In terms of the entrepreneurial ecosystem, the competition hopes to generate greater demand for support services targeting and tailored for entrepreneurs, more innovative products, services and business models, increased public support for entrepreneurs including via training and mentoring programs, access to funding, research and production labs and equipped office space (see the figure below on the competition’s Theory of Change).

One key objective of the Marathon is to collect much-needed data on the emerging entrepreneurship sector in Mauritania. The M&E approach seeks to document and analyze entrepreneurial activities in the country and the ecosystem, primarily due to the considerable lack of reliable data on many aspects of the Mauritanian economy.

FIGURE 1: THEORY OF CHANGE
This makes it extremely difficult to both design and implement entrepreneurship programs, as well as effectively lobby the government for better policies. The Marathon seeks to fill some of these gaps and gain insights particularly on the population’s engagement with entrepreneurship (both micro-entrepreneurship and more formal businesses), the appetite among young people to run their own company and the capacity of the ecosystem to meet entrepreneurs’ needs. Beyond these objectives, the Marathon also contributes to developing an efficient ecosystem built on scope and quality of services, partnership and advocacy.

The Marathon was organized by the World Bank Group in partnership with the Ministry of Economy and Finance in 2017 and 2018. The Marathon was implemented in collaboration and with the support of the Ministry of Economy and Finance, especially as it relates to key events such as the official launch event and the Entrepreneur’s Week. Implementing partners were selected through an open and competitive call for proposals. In 2017, the Mauritanian incubator HADINA RIMTIC was selected as implementing partner. In 2018, the Marathon was organized in partnership with iLab, the incubator and venture capital fund housed under the Youth Chamber of Commerce (JCCM). In the first edition of the Marathon, people could apply under one of two categories: an open category where any business idea could be submitted provided it had a positive environmental impact and a second with a choice of three different themes: 1) production of typha charcoal briquettes, 2) irrigation system using renewable energy and 3) refrigeration system using renewable energy. Based on initial diagnostic work conducted, these three themes were selected for their potential to impact the efficiency of local agricultural value chains and had already been researched and prioritized by technical and vocational training institutes in the country. The purpose of this was to establish stronger links between the academic sector and the Marathon and increased the competition’s overall visibility for its maiden voyage. In 2018, in order to simplify the selection process and broaden the entrepreneurial base (particularly to women-led businesses who tend to operate in different sectors), the team and Implementing partner decided to open the Marathon to all sectors.
Both Marathons were organized around three main phases: 1) the Entrepreneur’s Caravan, 2) a 42-day incubation program for finalists and 3) Entrepreneur’s Week. The application period officially opens with the launch of the Caravan awareness campaign, allowing candidates outside of Nouakchott ample time to apply. The best entrepreneurial projects are then selected and their teams invited to join a 42-day incubation program of training and coaching activities to help them build a convincing business plan and pitch to investors. At the end of this 42 days, a public event - Entrepreneur’s Week - hosts the final as well as promoting entrepreneurship and encouraging discussions around innovation, youth employment and economic development with high-level panel discussions, guest speakers and networking events.

For both Marathon, candidates could apply either electronically or using paper forms. In 2017, candidates could only submit paper-based applications in person when the Caravan was in their town. In 2018, focal points were introduced, who could collect applications for the entire duration of the application period. This made it easier for candidates living in the countryside to apply. As a result, more candidates sent applications to the second Marathon. However, the overall quality of paper-based applications was rather poor and / or incomplete, and most of these applications were discarded. In the first edition of the Marathon, candidates could apply under one of two categories: an open category where any business idea could be submitted provided it had a positive environmental impact and a second with a choice of three different themes: 1) production of typha charcoal briquettes, 2) irrigation system using renewable energy and 3) refrigeration system using renewable energy. Based on initial diagnostic work conducted, these three themes were selected for their potential to impact the efficiency of local agricultural value chains and had already been researched and prioritized by technical and vocational training institutes in the country. The purpose of this was to establish stronger links between the academic sector and the Marathon and increased the competition’s overall visibility for its maiden voyage. In 2018, in order to simplify the selection process and broaden the entrepreneurial base (particularly to women-led businesses who tend to operate in different sectors), the team and Implementing partner decided to open the Marathon to all sectors.

A Steering Committee to provide strategic support and guidance was set up for 2018 Marathon. A Steering Committee composed of representatives from the Ministry of Economy and Finance, ILO, BNM, Mauritanian Employers Association (Patronat), European Union and the microcredit institution MFSEEC was established to provide expert advice and monitor progress through the entire Marathon 2018 edition. The Committee, which met on a regular basis (4 times in total) served as a platform to share key results and provide critical guidance at different stages of the competition.

7 The selection was based on 1) the overall quality of the application and the respect of the application rules, 2) the innovativeness of the entrepreneurial projects, 3) the quality of the team behind the entrepreneurial project.
B. THE ENTREPRENEUR’S CARAVAN

The Entrepreneur’s Marathon’s included an extensive outreach and communications campaign across the country—the Entrepreneur’s Caravan. The name “Caravan” was inspired by the historic trans-Saharan trade routes between the Sahel and the Mediterranean that propelled the region to economic status and wealth in the Middle Ages. With the same entrepreneurial spirit and desire to open new markets, the Entrepreneur’s Caravan kicks off in the capital city of Nouakchott and travels across the country, including several stops in rural areas, where traditional agricultural and pastoral practices have been under increasing threat from drought and desertification. An extensive media campaign underpins the Caravan’s series of public events, including setting up a dedicated website8, advertisements in the country’s major news websites, radio, and television networks, as well as merchandise and social media marketing—Facebook, Twitter, YouTube—in both French and Arabic. The campaign has helped create significant engagement among local entrepreneurs, not only publicizing the competition but also established local networks, for example at universities, to provide information to potential candidates and support them in the application process.

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8 www.marathonentrepreneurrim.com
The purpose of the Caravan was to promote the Marathon as well as entrepreneurship via local networks and focal points across the country, reaching primarily rural youth. Entrepreneurship is increasingly - though still rarely - considered a realistic alternative to traditional salaried work in the public sector or a private company. Most Mauritians operating in entrepreneurship do so at the micro-level and usually as subsistence entrepreneurs, not in response to a market opportunity. One of the main goals of the Caravan was therefore to highlight entrepreneurship as a viable source of employment, as well as encourage those outside of Nouakchott (where many migrate in search of work) to explore the possibility of starting their own business at home by challenging their understanding of entrepreneurship and helping participants develop a basic understanding of the steps required to start a business.

In 2017, the first Caravan took place over the course of 10 days, in six cities around Mauritania: Nouadhibou, Nouakchott (North, West and South), Rosso, Boghé, Kaédé and Aleg. During the Caravan, the Marathon was introduced to the audience in a two-hour session. Given limited access to internet, paper applications to the Marathon were collected, allowing everyone to apply. In 2017, 1,370 people attended the Caravan’s events and 50,000 people were reached on social media. This grew further in 2018 to 3,000 people attending Caravan events (including 1,200 people who benefitting from a training session in micro-entrepreneurship) and 73,000 people reached via social media - no small feat for a country of 3.7 million people.

In 2018, the Caravan was extended to 12 cities (adding Atar, Boulenoir, Botoulimit, Chinguetti, Ndiago and PK13) around Mauritania, in order to reach more people in rural areas and secondary cities. It also included, in addition to the Marathon presentation sessions, a half-day “Introduction to micro-entrepreneurship” workshop. This workshop was developed in partnership with the ILO, who provided trainers and also conducted a Training of Trainers course. The workshop was offered in all 14 cities for a total of 1,276 participants. Following the first Marathon in 2017, it was clear that the primary beneficiaries of the Marathon were highly-educated young people living or working in Nouakchott. The incubation program also requires advanced literacy, preventing the less educated from participating. In recognition of the typical Mauritanian entrepreneur - a micro-operator with limited education and literacy skills - the team decided to conduct a more inclusive outreach campaign in 2018. This included the micro-entrepreneurship workshop, a short initiation course. The content of the workshop was specifically designed to be accessible to participants with limited literacy and largely based on group discussions. Despite the extended outreach of the 2018 Caravane, however, the profile of Marathon finalists remained largely the same (highly-educated and from Nouakchott), though the 2018 competition did count two rurally-based teams among its finalists (one from Ndiago and another from Bogué, though a third Nouadhibou-based team dropped out after the Boot Camp).

C. GENDER STRATEGY FOR THE 2018 MARATHON

WB projects in Mauritania are not just promoting entrepreneurship but designing activities to maximize opportunities for women and young people to participate. Despite young people (25 and under) representing 63% of the population, this has failed to translate to the Mauritanian labor market. Recognizing the inherent challenges faced by young people in the economy, WB private sector development activities in Mauritania seek to specifically target and engage young people, as well as facilitate their participation in programs. Partnering with public and private organizations and incubators that provide the country’s youth with skills and employment opportunities has been a key strategy to achieving this. Encouraging collaboration between these organizations has not only strengthened the entrepreneurial ecosystem by deepening local networks but also allowed the Marathon to pool different experts together into a broad program of support for young entrepreneurs. Generating much-needed data is also a crucial element in the strategy to design and implement better youth unemployment programs by expanding the evidence base and documenting differences across sectors, age group and – of course – gender.
Any employment program in Mauritania must acknowledge that women face unique challenges in the labor market. The limited presence of young people in the formal economy is marked by an especially low participation rate among women, who account for just one in four jobs. Mauritanian women are half as likely as men to be in the labor force, regardless of background. Moreover, among young people (24-33 age bracket), unemployment is nearly twice as high for women (20% compared to 12% for men). This is perhaps not surprising considering that 37% of Mauritanian women are married by age 18 (just 4% for men are married by 20, suggesting men marry much later) and that Mauritania ranks among the bottom 20% of countries on allowing women access to property and inheritance. Legal barriers to women’s full participation in the economy still exist in Mauritania - particularly discrimination to prospective female borrowers by creditors and restrictions on married or unmarried women's ability to work. Nevertheless, things are slowly improving. Women today make up nearly 35% of the employed, compared to 25% in 1993, and occupy more senior positions in government, including as members of Cabinet (31% of ministers were women in 2017). Nevertheless, young women in particular continue to face multi-faceted barriers to social inclusion and employment that must be addressed as part of the country’s development strategy, particularly in terms of entrepreneurship where they remain extremely underrepresented. In 2014, women accounted for just 2.4% of Mauritanian companies had majority female owners while just 3.8% of the permanent private sector workforce was female.

9 World Bank, 2018, Mauritania: Transforming the Jobs Trajectory for Youth Policy Note, World Bank.
10 World Bank, 2019, The Little Data Book on Gender, World Bank.
13 Idem.
Based on lower levels of women's participation in 2017 Marathon, a gender strategy was developed to target and facilitate the participation of women entrepreneurs in the 2018 Marathon. This gender strategy – developed in collaboration with implementation partner iLab and implemented by iLab's two gender focal points – consisted of a multipronged approach. Firstly, the explicit theme of climate change was removed in order to broaden eligibility to include more women-dominated sectors. The communications campaign also highlighted the Women's Entrepreneurship prize that is solely awarded to a women-led team, increasing the visibility of women at promotional events and during interviews about the competition. Women were also explicitly targeted during the Caravan, with special visits to women's cooperatives and towns and cities known for women's involvement in certain sectors, such as Mbout for agriculture and Zouerate for handicrafts. iLab's social media activity also highlighted the role of women in the economy via videos of female participants, visits to cooperatives and short profiles of women entrepreneurs interviewed by the gender focal points during the Caravan.

The central pillar of the 2018 Marathon's gender strategy was leveraging women's networks across the country. Efforts to encourage women – especially young women – to participate in new programs organized by perceived outsiders will often sink or swim depending on the organizers' ability to convince their families and community that this is a legitimate activity for their daughters, wives and in-laws. Relying on partners that had already established a trusted position in their fields and communities allowed iLab to reach more women from a broad cross-section of Mauritanian society. These trusted interlocutors co-hosted events with iLab to promote the competition and provided access to their networks, widening the Marathon's reach among women to include micro-entrepreneurs, girls who had participated in tech workshops and urban businesswomen. Key partners included women's tech incubator, Women TechMakers (operating in partnership with Google Developers Group), the Council for Mauritanian Businesswomen (CMFA), women's fisheries NGO Mauritanie 2000 and women's micro-credit and savings institution, the Mutuelle Féminine d’Epargne et de Crédit (MFSEEC). These partners also recommended women candidates for other aspects of the Marathon, such as for trainers, mentors, members of the jury and role models.

The gender strategy significantly boosted the presence of women entrepreneurs in the 2018 Marathon, both among applicants (60%) and finalists (48%) – an increase of 25% and 16% respectively compared to the 2017 Marathon. 60% of participants during the Caravan were women, suggesting a strong female participation throughout the competition. These results are a testament to what can be achieved when a concerted effort – centered around local actors and realities on the ground – is made to target and include women, even in a conservative society like Mauritania's.

D. THE MARATHON: A 42-DAY INCUBATION PROGRAM

The Marathon's incubation period consists of training and coaching activities, spread over the course of 42 days (just like a Marathon over 42 kilometers). As the centerpiece of the competition, the incubation phase is designed to provide each selected team with the necessary support to develop their business plan and build up their skills in order to start a successful small business. The program consists of regular coaching sessions with experts over the entire incubation period but kicks off with an intensive four-day Boot Camp in order to familiarize the teams with each other and the fast pace of the competition as quickly as possible. The Boot Camp introduces finalists to concepts like drawing up budgets and financial plans, managing operations, conducting market analysis, prototyping and pitching techniques. These concepts are then be elaborated in more detail during the rest of the incubation period. Field trips to established companies are also organized to provide finalists with exposure to experienced entrepreneurs and potential role models.

LESSONS FROM THE ENTREPRENEUR’S MARATHON
The contents of the trainings and workshops organized during the Caravan and the incubation period were defined and outlined by the WB team. Based on specifications like emphasis on practicality, targeting and understanding local markets, etc., the implementing partners made suggestions about the exact themes and contents. They also submitted coaches to the approval of the WB team. The trainings offered were conducted by experts from various origins (WB, local institutions and organizations, implementing partners) depending on the topic. Each expert was tasked with developing the exact content of his or her training as well as training support. The WB team also provided to the implementing partners a set of documents in order to guarantee that the Marathon met a certain level of overall quality. These documents included:

- The Marathon Rules and Application Requirements (how to apply to the Marathon, what are the conditions that the candidates must meet to be eligible to join the Marathon, and what are the criteria used to select the teams which will be invited to join the Marathon).
- Paper and electronic application forms.
- Guides on “How to write a Business Plan”, “How to make a video of your pitch”, “How to ground your project: guide to prototyping and experiments”. These guides aimed at providing additional resources to the participants, in addition to the training and coaching.
- Business Plan models and Business Model Canvas templates.
- Surveys to collect participants’ feedback after the presentations and workshops organized during the Caravan as well as at the end of the Marathon.
- In 2018, a training guide was developed with the support of the BIT and distributed to all the participants of the micro-entrepreneurship workshops conducted during the Caravan.

At the end of the 42 days, each team submits their business plan detailing the various marketing, financial and operational aspects of their enterprise, as well as a video pitch. The different prizes are awarded based on this dossier, as well as on the team’s final pitch at the final during Entrepreneur’s Week and their ability to answer the jury’s questions. The 2018 Marathon also had a Shark Tank assessment between the end of the incubation phase and the final where teams pitched their business idea to three prospective investors/business angels in the Mauritanian economy (representatives from two national banks - BNM and BMCI – SahelInvest, an investment and private equity advisory). The purpose of the Shark Tank is to provide finalists with a dry-run at the pitch they will give before the jury a few days later in a similar, high-intensity environment with difficult questions from the sharks.

In 2017, each team was provided a budget of 22,000 MRU (about US$600) during the incubation phase to highlight the importance of grounding business ideas in reality in order to develop a convincing business plan. This budget could be used to fund any aspect of their business activity that demonstrated market traction and technical feasibility, such as developing a prototype or testing aspects of their business idea. As will be discussed in the next section, most young people and aspiring entrepreneurs in Mauritania receive a largely-theoretical and academic education, even those that study business and entrepreneurship. This fails to adequately prepare them for working on the market, as their understanding of entrepreneurship is often conceptual. It was therefore a priority of the first Marathon to get an idea of finalists’ practical skills, as well as promote a more grounded definition of entrepreneurship, where “doing” is more important than “thinking of doing,” even at the start of their entrepreneurial journey. Despite the very positive feedback received on this aspect of the incubation (grounding the business plan was the most important “lesson learned” according to participant’s feedback), the 2018 Marathon did not repeat the budget allocation for prototyping and market testing, as it was decided to allocate financial resources to the Caravan in order to meet the second edition’s commitment to be more inclusive.

E. ENTREPRENEUR’S WEEK

At the end of the 42-day incubation period, all the teams were invited to compete in the final and attend the Entrepreneur’s Week event. In 2017, 16 final teams made it to the end of their Marathon and attended the two-day public event in Nouakchott. In 2018, the event was extended to three days, with 18 participating final teams competing. On both occasions, Entrepreneur’s Week featured round table discussions, panel debates and keynote speakers on access to finance for entrepreneurs, innovation, youth
employment, design thinking, lean innovation and the role of government institutions and large private companies in supporting inclusive economic growth. The highlight of Entrepreneur’s Week is of course the finalists’ pitch and short Q&A session with the jury. Jury was selected based on implementing agencies own network. In 2017, the teams were also given the opportunity to showcase their prototype at their individual stands throughout the event, in order to speak directly with members of the public. More than 600 visitors attended Entrepreneur’s Week in 2017, with twice as many (1,200 in 2018).

A total of five prizes are awarded to the best projects in five different categories. In 2017, the prizes consisted of 100,000 MRU (about US$2,800 at the time). The five awards allocated were the Climate Change Award, the Best Business Plan Award, the Female Entrepreneurship Award, the Best Practical Application/Prototype Award and the Public Vote Award. In 2018, the Best Business Plan Award functioned as the “overall winner” prize, with twice as much prize money as any of the other prizes (400,000 MRU compared to 200,000 MRU - about US$11,000 and US$5,500 respectively). In 2018, the Best Practical Application Award was replaced by the Best Innovation Award and the Public Vote was replaced by the Jury’s Pick Award.

F. SPOTLIGHT ON MARATHON WINNERS

2017 best prototype winner: HABIDEM

First established in 2015 by Oumar Wele, HABIDEM (Habitats and Development in Mauritania) is an eco-construction firm founded on the principle of sustainable development. Using local materials only (baked earth, straw, stone, typha plant), HABIDEM seeks to address the social problem of a lack of adequate housing in Mauritania in a climate-conscious and eco-friendly way that also creates green jobs for young people in rural areas.

After studying in Normandy, Oumar became increasingly aware of the impact climate change was having on his country and the precarious living conditions many of his fellow citizens were facing. These twin challenges are daunting but Oumar saw an opportunity to address both by leveraging traditional Mauritanian construction methods and exclusively availing of local, sustainably-produced material.

“At first it was just me,” he explains. “But I did a bit of networking – I was particularly interested in finding people with the necessary technical skills to work with local materials.” This is how he came to meet agricultural engineer Mamadou Touré, an expert in sustainable development working with RIM Youth Climate Change, a Mauritanian incubator for businesses and start-ups contributing to the country’s fight against climate change. This was the team that applied for the first Entrepreneur’s Marathon in 2017 that explicitly encouraged start-ups with ideas for green and eco-businesses to participate.

“The Marathon gave us great visibility,” lauds Oumar, “allowing us to present our product to the public. The technical assistance we received during the incubation period also allowed us to improve our product, enabling us to boost our sales considerably since the competition despite other challenges we faced, particularly in terms of accessing loans from Mauritanian banks.”

He also praised the competition for the practice it provided in terms of presenting HABIDEM to a wider audience. “As a technician, I didn’t have the necessary communication skills to really make a convincing pitch to investors before the Marathon but we have a very diverse customer base (the public sector, municipal authorities, NGOs, donors) so knowing how to sell the product definitely helped our prospects. HABIDEM won the best real-world application prize, which included US$2,700 in prize money.

Since the Marathon, the company has grown considerably, adding more staff to make up five permanent employees in engineering, finance, logistics and administration. HABIDEM is now a member of TyCCAO (Typha for Fuel and Construction in West Africa) – an international network between Mauritania, Senegal and France – that is contributing to the transition to renewable energy sources and
energy-efficient development via the typha plant which is found in abundance in this part of the world. Founded in partnership between the Senegalese Ministry of the Environment and Sustainable Development and the French Agency for Environment and Energy Management, TyCCAO’s partners include the French Facility for Global Environment (FFEM), the Organization for the Enhancement of the Senegal River Valley (OMVS), Senegalese businesses, Mauritanian and Senegalese universities and training institutes, Diawling National Park and French NGO, GRET, which provides training in the production of sustainable fuel resources.

“We had already applied to join TyCCAO but thanks to the Marathon, we were really able to boost our profile and were selected. As a result, we were able to access an amazing international and sub-regional network and we have presented our business in Dakar and Paris.”

Over time, Oumar hopes to increase HABIDEM’s market, including getting a foothold in the Senegalese market, and develop the company’s network and activities in francophone Africa further. In 2018, the company reported sales revenue of nearly US$600,000 and is hoping to quadruple this figure in 2019. “It’s certainly achievable,” says Oumar. “We just secured a new client and will receive an EU grant to finance the construction in partnership with an English firm.” HABIDEM is also currently competing against four other high-potential businesses in the World Bank-funded regional Sahel Marathon competition, where the top two start-ups from seven Sahelian countries (Burkina Faso, Chad, Guinea, Mali, Mauritania, Niger and Senegal) will be selected to compete in the final in Bamako in September, 2019.

2018 overall winner: SmartTrash

Almamy Chouaibou Diagana (right), along with his brother Mohamed, were looking for a way to improve garbage collection in their neighborhood, PK12, in Nouakchott.

“Garbage trucks aren’t organized to come at a fixed time so they would often wake us at night beeping their horns to get customers to bring out their garbage for collection,” explains Almamy. “Sometimes the trucks arrive but there’s no trash to collect, other times the bins are overflowing, and they don’t come for days. This was how we got the idea of a trash can that could communicate information directly to those picking it up in order to efficiently collect, transport and process household waste.”

SmartTrash is a portable and sustainable waste management system based on artificial intelligence (AI). By equipping every trash can and truck in the SmartTrash system with the company’s ALMED computer chip – based on Artificial Intelligence (AI) technology- these inanimate cogs in the waste disposal process are able to communicate with each other via sensors that are all connected to the company’s management platform.

An excellent example of how the Internet of Things (IoT) can provide a public good, the trash cans transmit their position and how full they are in real time, as well as an alert to surrounding trucks once they are full, maximizing collection efficiency as well as lowering costs. The system was designed by Mohamed, Almamy’s older brother, an expert in robotics who had previously developed prototypes for other award-winning start-ups in Mauritania, including a water pump that can be turned on and off by farmers remotely via text message. Almamy, meanwhile, is responsible for communications, customer relations and business management.

It wasn’t easy, though. As Almamy recalls, the process could be demoralizing. “The business wasn’t profitable at all at the beginning and we really struggled to develop the right model that combined profitability with efficiency.” Nevertheless, after months of work and research, tests both conclusive and inconclusive and countless all-nighters, the team finally had the product that we know today as SmartTrash. The Diaganas’ business idea now consisted of a combination of products and services: a smart trash can, the positioning of smart trash cans in target areas, supervising the level of waste in the trash cans, collecting and transporting the waste and finally, orienting garbage trucks towards the right trash cans according to the management platform.

With a working prototype, this family business began to seek investment, applying for several start-up competitions including the second instalment of the
Entrepreneur’s Marathon. Simultaneously competing in the Mauritania Innovation Challenge, sponsored by multinational Kosmos Energy Ltd., Mohamed and Almamy participated in the 42-day incubation program, including a very successful pitch at the Shark Tank that drew universal enthusiasm from the investor panel.

“Learning the basics of public speaking during the program helped us a lot for the final pitch and it was great to interact one-on-one with the jury,” praises Almamy. “The Marathon not only helped us master the technical aspects of drawing up our business and financial plans, it provided our company with great visibility, opening new doors for developing our business and conducting research on prospective markets.”

With the US$11,000 in prize money, Almamy and Mohamed are putting the final touches to their SmartTrash prototype, as well as officially found their start-up, SMART SYSTEM SERVICES, and finalizing their service offering and production of their ALMED chip. They are currently seeking partnerships with fablabs, municipal authorities (including the city of Nouakchott and eventually Nouadhibou) and public and private waste collection companies at home and abroad.

G. KEY STATISTICS AND RESULTS

During both Marathons, key data and statistics about applicants, participants, finalists and the competition’s social media presence were collected by implementing partner incubators. In 2018, additional efforts were dedicated to collecting relevant statistics, and an opinion survey of 1,000 people who attended the Caravan’s workshops was conducted. Detailed outcomes and impact indicators were also designed. However, a lack of human resources prevented the implementing partner (both Hadina in 2017 and iLab in 2018) from measuring much of the agreed indicators. Both Marathons experienced a poorer production of data than anticipated, primarily due to the limited experience of the implementing partners in terms of M&E capacity. In addition, the lack of a dedicated M&E focal point on both teams has made it difficult for incubators to dedicate the necessary time to data-collection. This was especially true during the busiest and most hectic times of the Marathon - the Caravan and Entrepreneur’s Week - which coincided with agreed deadlines for the implementing partners to run surveys and collect data.

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<thead>
<tr>
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<th>2017</th>
<th>2018</th>
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<tr>
<td>Caravan - attendance at Marathon presentation sessions</td>
<td>1,730 participants</td>
<td>3,000 participants</td>
</tr>
<tr>
<td>Caravan - attendance at “Introduction to Micro-entrepreneurship” workshops</td>
<td>No such workshops in 2017</td>
<td>1,260 participants of which 51% women</td>
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<tr>
<td>Total number of complete applications</td>
<td>201 teams (542 applicants) of which 192 women (34%)</td>
<td>437 teams (1,609 applicants) of which 60% women</td>
</tr>
<tr>
<td>Number of participants at training and coaching activities (incubation)</td>
<td>21 teams (60 participants) of which 19 women (39.7%)</td>
<td>20 teams (66 participants) of which 30 women (45.5%)</td>
</tr>
<tr>
<td>Estimated reach of the communication campaign</td>
<td>49,000</td>
<td>73,000</td>
</tr>
<tr>
<td>Entrepreneur’s Week - attendance</td>
<td>3,050</td>
<td>1,200</td>
</tr>
<tr>
<td>Active businesses (as of November 2019)</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Number of jobs created</td>
<td>11</td>
<td>109</td>
</tr>
</tbody>
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The table above summarizes the key statistics for the Marathons of 2017 and 2018.
The Marathon seeks to achieve results for the entrepreneurs and the entrepreneurial ecosystem via three main channels. These are developing, improving young people’s general and entrepreneurial skills, an entrepreneurial culture in Mauritania, strengthening the country’s entrepreneurial ecosystem, and collecting and assessing information on the support ecosystem.

The Marathon helped to improve entrepreneurial and general skills of the young people supported under the program. The stated purpose of the Marathon’s 42-day incubation period is to broaden and deepen the skillset of the finalists. Nevertheless, skills are also imparted during Caravan (via the Marathon presentation sessions and the micro-entrepreneurship workshops) and Entrepreneur’s Week, though to a lesser extent. The time available to significantly improve finalists’ hard and soft skills is perhaps too short to make a lasting improvement alone. Several elements of the training program have nonetheless contributed to significant and important changes in the overall perception of entrepreneurship among participants and the public alike. The importance of prototyping and grounding the business plan in market realities in the 2017 Marathon, for example, was lauded as the most important lesson and skill learned by finalists followed by the better understanding of what entrepreneurial activities actually look out. Overall there was high satisfaction among the 2017 and 2018 participants (average 3.8 out of 5 in 2017 and 95% high-recommendation rating in 2018) for the Marathon.

During both editions, presentations and workshops around concepts like human-centered design and running a lean enterprise contributed to a more refined perception of what constitutes entrepreneurship. Over just five weeks also constitute a major gain in terms of skills development for the teams. The positive changes among certain women finalists was especially noticeable, including Kadio Niang – the winner of the Women’s Entrepreneurship Award in the 2017 Marathon. Indeed, for many of the teams competing, the Marathon was the first time in their lives they had spoken before a public audience.

A major lasting result from both competitions has been the emerging network of young entrepreneurs who continue to meet, collaborate and support one another. Follow-up surveys and discussions with 2017 and 2018 participants have revealed that the “Marathoneurs” have stayed in touch independently of competitions, incubators and other events, pointing to a growing network among the Marathon’s participants. 80% of the 2018 finalists reported keeping in touch since the competition ended in November 2018, sharing information, collaborating and attending events together, including the 2019 IFC Sustainability Exchange in Dakar, Senegal. Four 2017 and 2018 winners (HABIDEM, DAADDO VDP, SmartTrash and Galeco) were invited by the World Bank Group to network and present their businesses at this forum of private sector players in the infrastructure and natural resources sectors. Some of these businesses even shared funding with other start-ups in order to finance their travel and facilitate their participation at the forum, suggesting a strong sense of solidarity among the “Marathoneurs.” It is also interesting to note that the most appreciated aspects of the 2018 Marathon were those that involved expanding their professional network and presenting their business to potential investors (the Boot Camp, Shark Tank, jury, etc.). Indeed, more than 50% of Marathon finalists also reported keeping up contact with coaches and trainers from the incubation program and 47% are in touch with representatives from other organizations, including members of the jury and Shark Tank, whom they met via the Marathon.

In Mauritania, where entrepreneurship is still not considered a viable career path by the majority of people, the Marathon contributed to developing an “entrepreneurial culture.” There is growing evidence and academic research that culture and mindset play a crucial role in promoting entrepreneurial and entrepreneurs’ development. All the activities

organized as part of the Marathon – the Caravan, the communications campaign, the 42-day incubation and Entrepreneur’s Week – sought to promote this underlying objective. This is arguably the central purpose of the Marathon, and indeed where it has had the most impact both on social media and via traditional TV, radio and other channels. Anecdotal evidence suggests that the Marathon paved the way to raising public awareness about entrepreneurship both as a potential and promising career path and within the broader context of Mauritania’s development agenda. A testimony of this is that since the launch of the first Marathon of 2017, the WB team has seen a proliferation of similar competitions and initiatives, greater donor and policy maker attention, as well as a greater number of youths interested in entrepreneurship. The competition has also been able to create its own identity and to well-known across development partners, government and youth thanks to the extensive media coverage and numerous events.

Since the launch of the Marathon in Mauritania, the initiative has been scaled up to a regional start-up competition - the Sahel Marathon. Launched in June 2019 by the World Bank and partner incubator, Bond’innov, the competition builds on the lessons and successes of the Mauritanian Marathon, keeping many key features like the 42-day incubation period. Targeting companies in seven countries in the Sahel - Burkina Faso, Chad, Guinea, Mali, Mauritania, Niger and Senegal - the competition mobilizes partner incubators in each country to provide incubation services in order to leverage local players in the ecosystem. Coaching and mentoring services are underpinned by two key principles from the original Marathon - practical application and solving real-world challenges. The Sahel Marathon targets more sophisticated start-ups than its Mauritanian counterpart, requiring companies to have already been incubated or have won a similar competition. Indeed, many ME17 and 18 winners applied (Habidem was selected among the top five companies for Mauritania). Each country incubates four to five companies, selecting their top two teams after the 42-day incubation period. These national champions are then sent to Bamako, Mali, for the final in September 2019 where five Sahel champions will be crowned in various categories (climate change, innovation, women’s entrepreneurship, etc.)

The Marathon was also able to help strengthen the Mauritanian entrepreneurial ecosystem. As ample research on entrepreneurship has demonstrated, the context and support networks that entrepreneurs rely on to facilitate their work are central to their success and entrepreneurial innovation16 17. Both the preparation and implementation of the Marathon involved pushing the entrepreneurial ecosystem in the right direction in Mauritania. During the preparation phase, the Marathon’s team worked with and consulted a wide range of public and private actors, to gain support, funding and relay information about the Marathon. Collaborating with and implicating training institutes, universities and local community leaders was a cornerstone of the strategy to promote the Marathon during the Caravan. The World Bank team and our implementing partners also engaged private companies and successful entrepreneurs to participate as panelists and keynote speakers during Entrepreneur’s Week, members of the jury and the Shark Tank, role models for on-site visits during the incubation phase to challenge our finalists and also share their experience. During the Marathon and Entrepreneur’s Week, finalists also had the opportunity to meet with representatives of the banking sector, the government and donor community and share their perspective. For the 2018 Marathon, the Bank and iLab teams were also able to tap into the entrepreneurial network of national banks, multinationals and donors to finance four out of the five prizes as part of the Bank’s strategy to normalize the Marathon as a self-financed feature of the local entrepreneurial ecosystem.

Finally, the WB team was able to collect important quantitative and qualitative data on the startup ecosystem. As will be discussed in the next section,

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the Marathon allowed to get firsthand experience and collect information on the demand for entrepreneurship in the country, confirming the appetite of the youth to start an entrepreneurial career and providing information about their entrepreneurial and innovation skills. Moreover, through the multiple focus groups organized, events organized, surveys conducted, and the Marathon’s Steering Committee, important information was collected on the existing public and private sector “supply” as well as on specific challenges and opportunities.

**H. KEY LESSONS LEARNED**

During the two years of the Marathon’s implementation, the WB team has been able to gather important insights on the design, delivery and evaluation of start-up competitions in a low-capacity, low-awareness yet highly-motivated environment. This section seeks to distill these insights with the hope of helping local and regional players to design similar interventions. While the competition has undoubtedly generated positive coverage and has helped the incubated companies involved, the the WB team has nevertheless decided to tweak the format of the third year of the Marathon (i.e. the 2019 edition) to combine the Caravan with the 42-day incubation program by hosting Start-up Weekend events at each stop along the Caravan at local training and technical colleges. This will allow the Marathon to tap into existing business ideas and prototypes being developed at these institutions while encouraging these young people to conduct market research for their start-ups (much like the 2017 Marathon). Finalists will be selected from each stop along the Caravan to be invited to a final in Nouakchott to pitch their business before a jury. Adjusting the format of the Marathon is a reflection of the proliferation of business plan competitions in the country since the Marathon first launched in 2017, the scale-up of the program at the regional level via the Sahel Marathon in 2019 and the need to extend entrepreneurship-supporting initiatives beyond the capital.

**DESIGN RECOMMENDATIONS**

Incubator staff - often limited in their ability to provide companies with holistic support - nevertheless need to have minimum qualifications in areas like M&E, finance, local markets and business development. Implementing partners are often lacking in experience, not only as professionals but also in terms of private sector expertise. These tend to be young teams, particularly in Mauritania, who are full of enthusiasm but are occasionally lacking in professionalism and require a significant degree of “hand-holding” from the donor team. Emphasizing the importance of meeting deadlines and committing to regularly communicating with and being available to the donor partner when necessary are key messages to get across to implementing partners, particularly when some team members may never have worked in a professional setting before. Similar initiatives run in low-capacity and early-stage development ecosystems should take these capacity constraints into account ensuring that incubator capacity-building is built into the program design, supplementing staff experience with international and locally-based consultants and have ready-to-implement internal tools and templates. Experts in M&E, micro and small-scale entrepreneurship, finance, market analysis and business plans should also always be members of the core implementing team of any incubator running a competition like the Marathon.

Designing and delivering on a high-quality M&E framework must be an in-built cornerstone of future iterations of the Marathon. Partner incubators should have at least one person (preferably with M&E experience) whose role is exclusively devoted to this aspect of the competition, otherwise M&E risks falling by the wayside during peak periods of the competition, approaching deadlines and it is too tempting for teams to focus on immediate need rather than this crucial goal of the Marathon. Increased budget allocation to M&E may be necessary in order for incubators to attract qualified candidates and improve the overall quality of KPI, M&E assessment, as well as making it possible to run larger-scale surveys to better assess impact and lessons learned. Donors may want to consider providing a strict structure for databases and surveys in order to improve the quality of data collection at the design phase. Another possible avenue is to introduce incentives, such as bonuses for
implementing partners based on the quality of their deliverables, with a strong emphasis on the quality of their M&E framework.

Enhance participation and active engagement from the public sector in the design and implementation of the Marathon. Though the Marathon was developed in partnership with the Ministry of Economy and Finance and several events were jointly-organized, public sector engagement was limited to high-level and high-visibility events. Public sector agencies and actors should have been more involved at different phases of the Marathon, for instance playing an active role in debates and presenting relevant government programs during Entrepreneur's Week. Unfortunately, given the current segmentation of the entrepreneurship agenda in the country across different agencies, the WB team was unable to assign an official government focal point despite several attempts, relying instead on ad hoc, last-minute focal points for individual stages of the Marathon.

Having a dedicated gender strategy can yield powerful results, even in a conservative context like Mauritania's. The gender strategy developed by the World Bank team for the 2018 Marathon raised the proportion of women applying to the competition by more than 60% for total applicants and finalists (48%) – an increase of 25% and 16% respectively compared to the 2017 Marathon. Targeting women explicitly in the communications campaign and the Caravan undoubtedly encouraged more women to apply for the competition, particularly the emphasis of the Women's Entrepreneurship prize and highlighting women's cooperatives and women-led activities during the Caravan. Leveraging women's networks across the country was also an effective strategy, as the World Bank partnered with organizations that had already established a trusted position in their fields and communities, allowing iLab to reach more women from a broad cross-section of Mauritanian society. These trusted interlocuters in tech, micro-finance, fisheries and the NGO sector co-hosted events with iLab to promote the competition and provided access to their networks, widening the Marathon's reach among women to include micro-entrepreneurs, girls who had participated in tech workshops and urban businesswomen. Nevertheless, future iterations of the competition and similar initiatives should consider including more female entrepreneurs and leading players in Mauritanian businesses and the local ecosystem as trainers, coaches, subjects of field visits and explicit role models. This would likely boost women's confidence in their business, as well as providing them with access to possible future mentors. The results of the competition's gender strategy are a testament to what can be achieved when a concerted effort – centered around local actors and realities on the ground – is made to target and include women.

Pre-defining priority sectors and activities in the 2017 Marathon had some interesting results. Targeting certain sectors helped increase the quality of applications from outside of Nouakchott, as some of these business proposals had already been researched by students in leading educational institutions outside of the capital. It also established links between the Marathon and research and educational institutions, thereby increasing the Marathon's reach into the wider ecosystem. Similar initiatives could also benefit from having a sectoral approach, working closely with universities, technical and vocational institutes to identify the best projects students are working on for their studies and could conceivably submit as a business idea for a start-up competition.

The Caravan has played an important role in raising the overall profile of entrepreneurship in the country and in confirming the population's interest in engaging in private sector activities. While the profile of Marathon finalists and winners is generally Nouakchott-based, the buzz generated around the competition during each of the stops along the Caravan and on social media has certainly helped boost young people and women's overall perception of entrepreneurship as a viable path to employment and an income. The presence of rural women's cooperatives among the top 20 teams in both 2017 and 2018 demonstrates that rural areas are willing and able to compete when targeted directly. Focal points also reported much interest from local populations following Caravan visits in the build-up to the application deadline. The Caravan also played an important role in the 2018 Marathon’s inclusion agenda, which sought to target potential entrepreneurs beyond Nouakchott and third-level institutions. This - along with the training session on micro-entrepreneurship with the ILO - allowed the WB team to confirm strong interest among local populations in entrepreneurship. Nevertheless, the
fact that the overall profile of Marathon finalists and winners remains largely the same would suggest that supporting entrepreneurship in the country requires a two separate strategies: initiatives like the Marathon that target high-potential and innovative entrepreneurs and others that support and build the skills of the average entrepreneur in the country i.e. a micro-entrepreneur who could benefit from access to microfinance instruments, local markets and basic skills development.

Setting up a public-private Steering Committee during the 2018 Marathon helped strengthen the design of the competition, ensuring in-time strategic guidance and the leveraging of synergies. The Steering Committee was set up with the intention of bringing key players interested in the Marathon to the table to provide free advice and feedback. Committee members were selected based on interest and appetite to share knowledge, experience and resources. Meeting regularly, the Steering Committee proved a good platform to share key milestones and plans for each phase of the competition, allowing iLab to get expert and “fresh” feedback from seasoned partners. The Steering Committee, for instance, helped share the private sector fund-raising strategy for prizes, as well as design the strategy for engaging with focal points during the Caravane.

IMPLEMENTATION RECOMMENDATIONS

The ILO-supported workshop on micro-entrepreneurship and increasing the number of stops during the Caravan, along with the above-mentioned gender strategy, made the 2018 Marathon more inclusive though inclusion in the Marathon remains a challenge. The high-capacity demanded of the start-ups who make it to the top 20 finalists makes it difficult for the competition to target the majority in a country where the majority of private sector businesses are micro-enterprises based on subsistence. The second Marathon undoubtedly benefited more people outside of Nouakchott. The workshop, together with the gender specific approach of 2018, also allowed more women to take advantage of the Marathon both in terms of participating during the Caravane but also as applicants and finalists in the start-up competition. The micro-entrepreneurship workshop allowed iLab, the implementing partner, to differentiate between start-ups and micro-entrepreneurs/subsistence entrepreneurs in the target groups. It also demonstrated the high potential of micro-entrepreneurs in rural areas, as well as their level of interest in entrepreneurship, serving to underline the need to promote more services outside of Nouakchott to scale up local populations’ business ideas and cooperative businesses into fully-fledged businesses.

The general profile of a Marathon entrepreneur remains a highly-educated graduate of a third-level institution with experience abroad (usually France). While the 2018 Caravan experience was rich, it also highlighted that the kind of professionals and businesses considered high-potential and innovative enough to qualify as start-ups are extremely difficult to find outside of urban settings, particularly Nouakchott. In both editions of the competition, the typical “Marathoneur” has the means to launch their business through love money and perhaps family connections. Specific programs targeting micro-entrepreneurs and subsistence entrepreneurs should therefore be designed and implemented in parallel with high-growth and high potential entrepreneurship programs, as the needs are clearly divergent. Merging or trying to work on both targets may be detrimental for encouraging those less prepared as the Marathon ultimately targets sophisticated and innovative ideas.

The elimination of the prototyping budget and design from the 2018 incubation likely had a negative impact on the level of practical skills imparted to finalists, as well as on the overall quality of the training program. The decision to eliminate the prototyping design was dictated by limited financial resources and the priority of inclusion during the 2018 Caravan. Nevertheless, if the budget allows, this financial support should be reintroduced in order to impart these crucial skills in the finalists as soon as possible. This would allow each team to conduct meaningful on-the-ground market research, prototype their business idea and engage in any other early-stage implementation activity that will likely improve the overall quality of their business plan at the end of the incubation period.
Seeking sponsorship for prizes from the entrepreneurial ecosystem was a successful strategy that allows the partner to dedicate funds to other aspects of the competition. The 2018 Marathon secured private sector funding for four of the five prizes from UNDP, Kosmos, Mauritanian bank BMCI and the World Bank-financed project for women’s economic empowerment in the Sahel region, SWEDD. Sponsors provided approximately US$33,800, not only relieving a significant financial burden from the implementing partner but also encouraging greater collaboration across the entrepreneurial ecosystem and normalizing the Marathon as a feature of the Mauritanian start-up landscape. Building on the positive image and reputation of the Marathon, the private sector and donors have shown more and more interest in financially contributing to the Marathon. Multi-year initiatives could also explore launching this fund-raising component as soon as the business plan competition has yielded positive results.

The implementing partner must prioritize “localizing” all the content it provides to finalists, grounding lessons, examples, role models and key concepts in the realities of the local market rather than importing examples from more developed contexts. As has been noted several times, incubators in Mauritania suffer from inexperienced staff who cannot provide all the necessary expertise to the finalists. It is not, surprising, therefore, that a certain amount of budget is devoted to bringing in outside experts to fill some of the gaps. While this is understandable, implementing partners have in the past shown an overreliance on international consultants who are often unfamiliar with the Mauritanian ecosystem, from local customs to what is and isn’t feasible on the Mauritanian market. If outside expertise is required, particularly from outside the country and the region, the partner must also allow sufficient time to review, analyze and tweak any material these experts will present to finalists to ensure a Mauritanian perspective and the applicability of concepts to the Mauritanian context is present throughout all course material. Moreover, the importance of incubators instead reaching out to and building their network of local successful entrepreneurs and professionals, rather than relying on consultants based in Europe or elsewhere, to supplement their efforts and join their training program cannot be overemphasized.

Another important aspect of contextualizing the Marathon and pursuing the competition’s inclusion agenda is ensuring all content be available to participants in local languages (both French and Arabic/Hassaniya for Mauritania). Many incubator staff in Mauritania have been educated abroad and generally speak Hassaniya as a third language or not at all. While this is not a prerequisite to implement a competition like the Marathon, it is very important that the implementing partner prioritize the inclusion of all participants, including ensuring that all finalists are able to understand the content of the entire incubation program (from course material to guest speakers). In the case of the 2018 Marathon, it was older Hassaniya-speaking teams from rural areas who were most at a disadvantage during francophone-only discussions when, for whatever reason, there was no Hassaniya-speaking member from the iLab team present (and often, even when they were present, they had failed to prepare some of the more technical vocabulary and so could not translate in real-time). This was also the case for Entrepreneur’s Week, which was almost exclusively conducted in French with even some English phrases used every so often. Translating and interpreting services may be expensive, but it must be made very clear that the Marathon - as an initiative of the World Bank Group – is a competition for all Mauritians, including for those that speak exclusively Arabic/Hassaniya. During the Boot Camp and other group learning sessions, incubator staff must be on-hand to translate into national languages and should be prepared in terms of content to ensure timely and accurate delivery of the material to all participants. Incubator staff should therefore be prepared to translate course material from French or English into Arabic or relevant local languages and should therefore be on-hand for any in-person translation that may be required.
II. MAURITANIA START-UP AND ENTREPRENEURSHIP ECOSYSTEM

A. INTRODUCTION

Despite the immense opportunities for MSME creation and the strong appetite among young people to pursue a career in entrepreneurship, the Mauritanian ecosystem’s ability to nurture and support new and young businesses is quite weak compared to peer countries. In 2018, Mauritania ranked second to last in the Global Entrepreneurship Index (GEI), ranking 136th out of 137 countries (it also fell two places between 2017 and 2018), with only Chad performing worse. Figure 5 shows that Mauritania continues to lag behind its neighbors, with an especially stark difference with Morocco and Tunisia whose support systems have boomed in the last years. Mauritania is outclassed by even the weakest peers, however, and is well below the regional average. It is also worth mentioning that Mauritania’s position in the GEI even below what would be expected of a country with its level of income (GDP per capita, see Figure 4). These disappointing statistics are confirmed by Mauritania’s performance in other global rankings, including the Global Competitiveness Index, which also analyzes a country’s entrepreneurial culture (attitudes towards risk, growth of innovative companies, etc.) where Mauritania latest rank is 137 out of 140 countries. It also fell by five places in 2018, while many of its neighbors made gains.

In spite of encouraging progress in recent years, West Africa remains the least developed region in entrepreneurship, ranking below the world average across all indicators. West Africa only comes closest to the GEI world average on opportunity perception indicator, though other areas for encouragement are networking and cultural support (See Figure 7). West Africa (Mauritania included) continues to suffer from enduring bottlenecks in key factors like start-up skills, likely the result of poor-quality education, high levels of informal employment and poor albeit abundant self-employment opportunities, which would confirm that having a healthy business environment requires a critical mass of skilled workers and quality job opportunities. Other major challenges for entrepreneurship in the West Africa region as a whole are the lack of internationalization and risk capital.
Mauritania mirrors West Africa’s strengths and weaknesses in fostering a strong entrepreneurial culture. In the area of networking, however, the country just outperforms its regional neighbors. By contrast, on issues like cultural support for entrepreneurship and competition, Mauritania performs way below the regional average. It is important to focus on Mauritania’s relative performance compared to its neighbors, as we cannot help but note that while Mauritania is in-step with key regional trends on entrepreneurship, it continues to lag behind. This is not only because the country faces ongoing challenges but also because its neighbors, particularly countries like Senegal and Morocco, have made great strides in the last decade, particularly in areas like opportunity startups, high growth, risk capital and, as we will discuss, start-up skills (see Figures 6 and 7).

As we will see throughout the report, all this suggests that there is significant work to be done in order to improve the foundations of entrepreneurship across the country. The best way to achieve this is to focus on alleviating short-term challenges (what we consider ‘quick wins’) while also targeting long-term bottlenecks that are holding the country back as it tries to foster a stronger entrepreneurial ecosystem. Mauritania is following a similar entrepreneurial path to its regional peers, albeit at a much slower pace. The country has the chance to speed up its development trajectory by capitalizing on the knowledge and experience that have been built up across North Africa and more advanced sub-Saharan economies while catching up with its West African peers.

In this section, the report will take a deep dive into the key elements of an entrepreneurial ecosystem. The concept of an ecosystem is referring broadly to the interdependent networks of individuals and organizations (actors) and the influencing environmental conditions that act upon those networks. Following this concept, the framework used for analyzing the challenges and opportunities within the entrepreneurship support ecosystem in Mauritania includes five factors which can help policymakers, development partners, practitioners and entrepreneurs inform decisions on priorities and interventions. These factors are: skills and human capital, policies and regulations, intermediaries and enablers, financing solutions, and information and networks.

The research relies on secondary data – existing statistics and global reports- as well as primary data. The primary data includes: a) Focus groups and semi-structured interviews with stakeholders (entrepreneurs, support organizations and government) as well as sector experts; b) interviews to entrepreneurs supported through the Entrepreneur’s Marathon; and c) evaluation data collected through Entrepreneur’s Marathon 2017 and 2018.

B. SKILLS AND HUMAN CAPITAL

Though a nascent entrepreneurial culture is emerging in Mauritania, the population’s ability to leverage its skills into entrepreneurship and private sector jobs remains quite limited. A particular challenge for both private companies and the government seeking to encourage private sector growth is there simply are not enough people in Mauritania with the necessary skills to launch, run and support a business and the business community.
Firms in Mauritania report difficulty in finding skilled employees, especially real-world work experience, which 54% of businesses complained of\(^\text{18}\). The country’s educational system is quite traditional, emphasizing academics and theory over practical skills and personal initiative, leaving even those with secondary and third-level qualifications with a less competitive profile for private sector companies. While the Government is aware of the competency gap and has initiated some professional training reforms, technical as well as entrepreneurship skills remain a major constraint to development across the country. A still-developing entrepreneurial ecosystem, compounded by an unskilled population, continues to plague Mauritania, leaving it at the bottom of performers on crucial indicators for entrepreneurship and private sector development, like capacity to innovate and attract talent (see Figures 8 and 9).

The state of affairs in the Mauritanian labor market is not surprising, as the incentives for the population to build their skills are not strong. Most jobs in Mauritania are informal, representing 84% of all employment\(^\text{19}\). Waged employment is largely informal as well, accounting for 36% of jobs in the country. Self-employment remains highly precarious with varying levels of poverty among Mauritanian workers, especially those working in agriculture, the self-employed and domestic workers.

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\(^{19}\) World Bank, 2018, Mauritania: Transforming the Jobs Trajectory for Youth Policy Note.
Mauritania’s human capital stock is still uncompetitive, particularly when compared to leaders in West and North Africa. According to the World Bank Group’s Human Capital Index (HCI) – a cross-country metric to measure the amount of human capital a child born today can expect to attain by age 18 – Mauritania’s current investment in its next working-age generation is quite weak. The World Bank’s Human Capital Project is a recognition of the fact that human capital is a primary driver of a nation’s economic growth.

A child born in Mauritania today will be 35 percent as productive when they grow up as they could be with full education and health, completing an average 6.3 years of schooling. Factoring in what children actually learn, however, reduces the quality of the Mauritanian education system to just 3.4 years of educational attainment. Nevertheless, the country’s HCI is slightly higher than the average for West Africa and the Sahel region (see Figure 12).

Considering Mauritania’s relatively poor investment in its population, it is not surprising that the vast majority of Mauritanians have received little to no formal education beyond primary school. Primary school completion stood at just 71% in 2013\(^{20}\). One in three Mauritanians lacks any formal education and this figure is higher still in rural areas\(^{21}\), where the presence of structured religious education is also waning, increasing the illiteracy rate. Only 33% of pupils enrolled in formal primary education will go on secondary school and 5% to higher education. Overall, just 6% of the Mauritanian labor force has completed university education and these graduates are highly concentrated in Nouakchott. 18% of the labor force has completed secondary school. Both tertiary education enrollment and quality of education in the sciences and math are the lowest in Mauritania, compared to regional leaders and the average for sub-Saharan Africa (see Figure 14).

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\(^{21}\) World Bank, 2018, Mauritania: Transforming the Jobs Trajectory for Youth Policy Note.
Nevertheless, these trends may change as reforms introduced in the past five years begin to yield positive results. The main reforms in education and professional training include the establishment of polytechnic schools, including campuses outside the capital, the founding of the Professional Institute at the University of Nouakchott, as well as the emergence of several specialized sector-oriented technical schools, like the ISSM (Institut Supérieur des Sciences de la Mer) in Nouadhibou, the country’s economic capital, for professionals in the fisheries and related sectors.

The formal education system in Mauritania needs to be reinforced with more vocational and management training, as well as industry-research collaboration, in order to provide the kind of practical, job-relevant skills demanded by the labor market. An entrepreneurial and business culture also needs to be introduced at the societal level, as well as being taught/encouraged at various levels of learning. Youth employment programs and social dialogue on labor policy is on the rise in Mauritania, though programs are limited in their coverage and mainly catered to urban university and vocational training graduates. Supply-side programs in Mauritania provide vocational training and, to an extent, micro-entrepreneurship for university graduates. Demand-side initiatives, meanwhile, seek to boost enterprise development for MSMEs, hoping to leverage regulatory reforms to the investment climate over the mid-term. There is some institutional support to developing vocational skills, primarily focusing on better coordination across public and private agencies devoted to boosting employment, as well as vocational training management. Nevertheless, if the goal is to nurture a new generation of entrepreneurs, the education system should complement this new emphasis on vocational training with specific programs.
on entrepreneurship and promote risk-taking. As of 2017, Mauritania ranks 137th out of 137 countries in terms of the quality of its management schools (neighboring Senegal ranked 35th). Mauritania also ranks the lowest in terms of collaboration between industry and universities on Research & Development (R&D).

Developing young people’s digital skills is also an emerging priority for fostering entrepreneurship in Mauritania. While there are some private initiatives to develop ICT literacy among Mauritania’s youth, including tech incubators Google Developers Group (GDG) and Women TechMakers (financed by Google), public investment in developing the population’s digital skills is quite low. As we saw above, Mauritania performs the poorest among its regional peers in terms of the quality of math and science education. It also ranks the lowest in availability of the latest technologies compared to Senegal, Côte d’Ivoire, Tunisia and Mali, as well as being below the regional average. Supporting the start-up sector and streamlining the various procedures and regulations that govern Mauritania’s business climate will depend more and more heavily on how the country is able to leverage emerging technologies that can help especially developing countries circumvent ongoing challenges, including in physical infrastructure. Ensuring the population is ready to take advantage of new tools and innovations - via training, investment in public access to digital infrastructure and better telecommunications networks - will be essential to maximizing the gains from these new technologies.

While government rhetoric is nominally more open to implicating the private sector in public programs, this change has largely been symbolic and the gap between supply and demand for skills in the Mauritanian economy remains wide. One of the most significant developments in recent years has been the inclusion of key business representatives on the boards of various professional training institutions. The purpose of the mixed board is to ensure that curricula are designed based on real market needs and perspective demand, as well as offering possible direct hands-on training exposure to students. Unfortunately, so far challenges have continued to plague professional institutes and, in some cases, the gap between supply and demand has even worsened. Representatives from extractive industries - a crucial sector for the Mauritanian economy - in particular complain of being unable to hire from the Mauritanian workforce for technical or management positions as the Mauritanians that are products of the national education system are simply not capable of carrying out the tasks required of them (neither in terms of specialized training nor general skills), relegating national staff to low and mid-level positions. Some mining companies, such as Tasiast, have even started their own internal training program in order to directly align new employees’ skills with industry needs. This is especially disappointing since these developments have occurred since the government has launched new vocational and training programs, which would suggest that much greater dialogue is needed between the government and the private sector on the enduring gaps between supply and demand for skills and how these can best be addressed.

A lack of practical skills is one of the key gaps being addressed by the Marathon and similar business competitions in Mauritania, as we are building the pipeline of viable companies and entrepreneurs. After two years, a profile of Marathon participants has emerged of highly educated and motivated young people (72% of 2017 finalists and 85% of 2018 finalists hold an undergraduate qualification at minimum, while the majority of 2018 Marathon participants have a Masters). Many have also at some point been a part of the diaspora, which are relatively more educated than the rest of the population. The high level of interest in diaspora communities in returning home to compete in these startup competitions is a crucial and developing aspect of startup competitions throughout Africa. While our startups are clearly not representative of the average Mauritanian in terms of skill level, their shortcomings do reflect common challenges in the Mauritanian skills landscape. Over the course of the incubation program and particularly during the Shark Tank and final events, participants’ capacity to develop a business proved to be very limited, especially in terms of delivering action-oriented tasks and making a convincing case for their business in person. Interpersonal skills like communication and a lack of self-confidence, as well as low capacity in digital/technological skills, are also common challenges among Marathon participants.
C. POLICIES AND REGULATIONS

Beyond the operational landscape of the entrepreneurial ecosystem, entrepreneurs’ ability to establish themselves, grow and ultimately survive is intrinsically linked to the policy and regulatory framework the find themselves in. Governments play an important role in encouraging risk taking, contributing to firm dynamics (the entry, growth and exit of firms from the market) and promoting competition. Mauritania is no exception to this, and the government needs to be at the driver’s seat promoting an economic culture that supports innovation, competition and the emergence of new business models and ideas.

In recent years, however, the government has begun to take action on this issue by enacting reforms to improve the business climate. Since 2014, the Mauritanian government has made it easier and cheaper to both launch and run a business according to the well-known World Bank Doing Business (BD) report. In absolute terms, Mauritania’s ease-of-doing-business score has risen from 45.3 points in the DB 2015 report to 51.9 in the 2019 report, narrowing the gap with global regulatory best practice. This improvement has allowed Mauritania to progress in the overall DB rankings, from 176th place in 2015 to 148th in 2019, surpassing countries like Benin and Algeria and making it one of the best-performing countries in the region in terms of progress (See Figure 17 and 18). These figures reflect the government’s commitment to developing the private sector and using it as a vehicle to provide more opportunities in the economy.

![Figure 17: DB Ranking Progress 2015-2019](image)

![Figure 18: DB Ranking and Number of Reforms 2015-2019](image)
One of the most significant improvements to the Mauritanian private sector is the ease of starting a business. Since 2015, Mauritania has made starting a company easier by establishing a one-stop shop, significantly reducing the costs related to launching a new business (for example the fee for obtaining a tax identification number) and overall simplifying business registration procedures (such as removing the requirement to obtain a bank certificate). These reforms have had a positive impact on the number of companies created in Mauritania (See Figure 19). Following these reforms, Mauritania’s position on the business creation index significantly improved, from 164th place in 2015 to 46th place in 2019.

As a sign of the importance the government attaches to its private sector agenda, entrepreneurship, promoting innovation and further improving the investment climate are all identified as top priorities in the country’s medium-term growth strategy. The government’s Strategy for Accelerated Growth and Shared Prosperity - SCAPP (2016-2020) - has set entrepreneurship as a cornerstone in its pursuit of inclusive growth. One of the most important initiatives under the new SCAPP has been the establishment of an Entrepreneurship and MSME Development Unit. This Unit, which is housed under the Ministry of Economy and Finance and under the supervision of the General Directorate for the Promotion of the Private Sector (DGPSP), has the mandate of enhancing entrepreneur’s potential through education, training and business monitoring services. Though the Unit has yet to become operational, it is expected to be supported by a technical steering committee including representatives from all relevant ministries, as well as representatives from the private sector and development partners.

While these results and initiatives are encouraging, the density of business creation still remains very low in Mauritania and its investment climate is less favorable than most of its peer countries like Senegal, Morocco and Tunisia in the DB 2019 ranking. Mauritania still has very lengthy and complex insolvency procedures, resulting in unpaid debts and, in some cases, imprisonment. In terms of settling insolvency, Mauritania is given a score of zero, placing last along with 17 other economies in 168th place. This poor score reflects an absence of Insolvency policy, as measured by DB. Other areas which require urgent attention are getting credit - identified as the number one constraint by Mauritanian firms22- and strengthening competition. Mauritania ranks next-to-last on GCI due to the market dominance of powerful and well-connected firms, as well as the extent of government intervention in business affairs and the economy. The high prevalence of non-tariff barriers23 is also a significant challenge.

23 World Bank, 2018, Mauritania: A Policy Note on The Role of Competition Policy for A Diversified Economy. Washington D.C.
Mauritanian women in particular are severely limited by the country’s regulatory environment, enjoying less than half the legal rights granted to men. Out of 187 countries, Mauritania ranks 176th in terms of gender equality before the law, hindering women’s ability to operate economically as well as socially. Women’s ability to engage in economic decision-making is limited by enduring laws that limit their ability to seek employment or start a business. For example, women are barred from working in certain sectors deemed too physically demanding, such as in factories, mines and construction sites. Women are also prohibited from engaging in work that may impact their health or morality. In the workplaces where they are permitted, women’s rights are often not defended either and they can be dismissed due to pregnancy. Creditors are also entitled to discriminate against potential women borrowers based on their sex, while women’s access to land is among the lowest in the region.

Unlike the accomplishments on the investment climate agenda, the new enthusiasm at the political level for the entrepreneurship agenda has yet to be followed by concrete initiatives and policy reforms to encourage startup development. Government-managed private sector initiatives are largely focused on subsistence micro-enterprises, to the detriment of startups and high-growth MSMEs. Though the mission and support programs of various government agencies are broadly defined and therefore could apply to entrepreneurs, limited human and financial resources generally force these institutions to devote their attention exclusively to subsistence and necessity-based entrepreneurship.

The National Integrated Micro and Small Enterprise Program (PNIME), for example, primarily supports income-generating activities alone, strengthening and consolidating community-led production approaches and initiatives at the local level - a worthy cause, certainly, but largely ignoring young companies and women entrepreneurs with high potential. Study after study demonstrates that supporting the expansion of high-growth startups can create up to 100 times more jobs than supporting a microenterprise or subsistence-SME.

Since the publication of the SCAPP in 2016, a few low-impact initiatives have been established by the government to specifically target young and women entrepreneurs and encourage them to start a business. For example, a youth entrepreneurship fund was set up under the Caisse des Dépôts et de Développement (CDD), with over US$20 million co-founded by the Arab Fund for Economic and Social Development (FADES). There have also been ongoing discussions at the Central Bank since late 2018 at on the possibility of creating a guarantee fund, as well as developing legal framework adapted to the realities and needs of startups on the ground.

25 CMAP, 2013, Study on entrepreneurship development in Mauritania.
26 World Bank, 2016, Growth Entrepreneurship in Developing Countries: A Preliminary Literature Review.
Finally, the lack internal coordination and collaboration among public sector agencies has had a detrimental impact on the promotion of entrepreneurship and MSME development in Mauritania. The entrepreneurship agenda in terms of the players involved, their various roles and responsibilities, are spread amongst various public agencies. A staggering eight ministries and an even greater number of directorates and agencies are either directly or indirectly contributing to the government’s youth entrepreneurship program (see Figure 21), of course with the occasional overlap. Mauritania needs to improve the overall coordination and coherence of its entrepreneurship-supporting and promoting activities, starting with a more effective institutional framework that clearly defines the responsibilities of each stakeholder/agency, as well as one that encourages and facilitates greater collaboration and communication among all the different players in the entrepreneurial landscape.

**FIGURE 21: MAURITANIAN ENTREPRENEURSHIP STAKEHOLDER LANDSCAPE**
D. THE MAURITANIAN ENTREPRENEURIAL ECOSYSTEM AND THE EMERGING LANDSCAPE OF INCUBATORS

The number of entrepreneurship-supporting hubs and other intermediaries in Mauritania has been growing. A 2013 study by the Mauritanian Center for Policy Analysis conducted among Mauritanian students found that 75% intended to start their own company. Despite their enthusiasm, however, just 22% felt adequately prepared to launch a business. This is partially due to the environment in which these aspiring entrepreneurs are operating - what we refer to as the entrepreneurial ecosystem. The entrepreneurial ecosystem is the landscape of social, economic and regulatory norms and institutions, and the interactions among actors that impact entrepreneurs and MSMEs in a country. The more open, supportive and cohesive the ecosystem, the greater the opportunity for creativity, innovation and new business ventures. As we’ve seen, however, Mauritania does not have an encouraging business environment to support its increasingly-ambitious young population and its education system has failed to prepare potential entrepreneurs. This is where incubators and other entrepreneurship-supporting organizations come in.

In line with global and regional trends, the entrepreneurial ecosystem in Mauritania has been slowly emerging since 2014. According to our research, the number of active incubators and hubs supporting start-ups and other MSMEs has grown from two in 2014 to nine in 2019. Although still in its infancy, the supporting ecosystem for entrepreneurs and businesses is now demonstrating a certain dynamism, as evidenced by the emergence of incubators, accelerators and various events and initiatives dedicated to entrepreneurship. This has been coupled with a growing attention from donors and policymakers to the overall importance of entrepreneurship and private sector development in pursuing their development agendas in the country.

Mauritania represents one of the newest and smallest ecosystems in North and West Africa in terms of incubators. Country ecosystems vary in terms of the number of entrepreneurship-supporting institutions they have, as well as their level of maturity. According to the 2018 Association of Tech Hubs Landscape report, the number of active tech hubs in the continent has risen to 442 since 2016, with Nigeria and Morocco continuing to largely outperform the rest on the number of active tech hubs they house. Other countries like Ghana (24 active tech hubs in 2017 compared to 16 in 2016) and Côte d’Ivoire (13 in 2017 versus 5 in 2016) are also showing significant growth. Even ecosystems that in 2016 were either non-existent or nascent now have at least one active hub, including in Mauritania.

Intermediary support to new and growing businesses in Mauritania focuses primarily on very early-stage projects and on providing basic training and coaching services. The number of incubators in the Mauritanian ecosystem and the type of support they provide is driven by the size and sophistication of entrepreneurial activity in the country. Low levels of entrepreneurial activity and entrepreneurs’ overall immaturity have led incubators to focus on early-stage businesses and start-ups that tend to be in the ideation phase. They also provide an array of similar services, like access to physical space, coaching, training and networking, which allows them to serve a wide range of startups. Very few Mauritanian incubators offer in-house mentoring as part of their program. There are some traces of specialization among Mauritanian incubators, with a few organizations having a sectoral focus (like ICT and agriculture) while others provide acceleration services only. Beyond training programs and mentoring, incubators’ ability to mobilize funds or facilitate their clients’ access to finance is very limited. Based on our assessment, there is only one incubator - Intaj- capable of leveraging funds for itself or the businesses it is incubating. Moreover, these incubators are all based in the capital, Nouakchott, particularly in the wealthy district Tevragh-Zeina. Existing intermediaries could be clustered around the following four categories:

27 GSMA, 2018, Africa Tech Hubs Landscape.
Lessons from the Entrepreneur’s Marathon

Incubators are led by well-connected and educated youth leaders, who are often returning to Mauritania from the diaspora. Led by young and dynamic leaders (mostly women in their 30s), these incubators nevertheless need to seize the opportunity to learn and connect with more seasoned entrepreneurs who have led a company to scale. Even though the skill level of the general population is limited and the pool of existing experts in Mauritania is small, incubators should be actively seeking engaging and top-performing entrepreneurs to advise, share knowledge and act as mentors to start-ups and even their own staff. Moreover, a high proportion of these incubators’ founders and/or CEOs only work part-time on their incubators. This limits their ability to devote themselves fully to their organizations’ mission of developing entrepreneurship and supporting young entrepreneurs in their country.

In addition to absent leadership, Mauritanian incubators are often run by junior, highly-motivated yet inexperienced staff. Most incubators in Mauritania (70%) rely on a young workforce. Though highly-educated, they have limited experience in supporting entrepreneurship and rely heavily on external and ad-hoc support from national and international experts. Our team’s diagnostic confirms this lack of experience and also notes a lacking track record of accomplishments among these structures, which is preventing them from improving their performance. Attracting more experienced managers and staff remains a major challenge, unfortunately, due to incubators’ lack of the necessary financial resources to provide the kind of salary a person of such caliber would likely expect.

Existing incubators in the Mauritanian ecosystem would benefit from professionalizing their service offering. Incubators are in “incubation” stage of development themselves and the services they provide often do not respond to the needs and expectations of their incubees and young entrepreneurs. In their feedback, entrepreneurs often appreciate the access to physical space provided by their incubators, as well as greater visibility for their projects and inclusion in Mauritania’s emerging startup community. Nevertheless, they also emphasize that incubation programs are rarely tailored to the individual needs of their business and that there is an overall lack of quality in the training they receive due to the inexperience of the incubators’ staff. Incubator procedures and tools are often not available and are rarely standardized, which adds to an amateur image for these organizations especially when participating in national or international events and programs. These incubators therefore urgently need to be

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<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Example Intermediaries</th>
</tr>
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<tbody>
<tr>
<td>Incubators</td>
<td>Free business support. Organizations with a physical location, a team dedicated to supervising start-ups and delivering training programs/coaching sessions (via their own team and/or experts outside the structure).</td>
<td>Kosmos Innovation Center, Ilab, Hadina, and to a certain extent Fablab/InovRIM</td>
</tr>
<tr>
<td>Accelerators</td>
<td>Organizations or program focusing on early stage and growth firm and which provide seed investment, training and mentorship.</td>
<td>Intaj</td>
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<tr>
<td>Business Service Providers</td>
<td>Fee-based business support</td>
<td>Oppafrica</td>
</tr>
<tr>
<td>Advocacy/Networking Structures</td>
<td>Nonprofit structures primarily focused on advocacy and networking.</td>
<td>Rim Youth Climate, Google Developers Group/Women TechMakers</td>
</tr>
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“professionalized,” not only to enhance the quality of the services they provide but also to improve their internal procedures, including identifying the best startups among applicants, setting up effective M&E framework for their programs and their startup’s progress and generally improving their management. Other key priorities moving forward are securing a network of experienced and reliable coaches, ensuring a good and regular Internet connection for both staff and clients and developing ready-to-use/easily-adaptable resources for their entrepreneurs (to be developed either with national institutions or via partnerships).

These ecosystem players have yet to develop a sustainable business model with reliable and regular sources of revenue, as well as clearly defining their business models and missions. The lack of reliable resources for incubators not only acts as a major impediment to attracting experienced staff but also forces incubators to devote much time and attention to fundraising efforts. Incubators often depend on younger, volunteer staff lacking in experience, so they struggle to provide the kind of support their incubees need, which increases the drop-out rate among participants and limits these organizations’ overall success, as well as affects their image.

This vicious circle in turn is detrimental to the demand for entrepreneurship support. In more developed ecosystems, incubators usually earn their income by taking a stake in the companies they support or by providing services for a fee, like rentable co-working spaces, internet access and other physical infrastructure for new businesses that can’t afford a whole office to themselves. If entrepreneurs are not likely to succeed or if they don’t have the necessary financial resources, then incubators cannot become profitable. In Mauritania, incubators would do well to consider themselves startups as well and seek revenue resources beyond donor or CSR support. Based on our research, there is only one incubator in Mauritania (Intaj) that has been able to mobilize the necessary funds to invest in its own incubees, while two others (KIC and Ilab) have particularly strong networks they can rely on for funding prizes and grants.

Incubators could also benefit from reflecting on their strategic positioning in the ecosystem and the specific ecosystem gap they are addressing. This would help them more clearly define their mission, target audience and thus their sources of income. As donor and CRS funding flows into various Mauritanian incubators, there is a risk that the injection of funds will encourage them to deviate from their core objectives, as they try to comply with the objectives and mission of those funding them, rather than staying the path they have laid out for themselves.

Incubators need to consider potential partnerships and strategies to leverage the expertise and resources of other incubators. Our analysis of the country’s incubator landscape shows that there are major complementarities and opportunities for synergy that can be exploited in Mauritania. Unfortunately, a lack of resources and a history of personality clashes among certain leaders has pitted Mauritanian incubators against each other, rather than encouraging them to collaborate. Aside from limited and informal interactions, these organizations seek to operate largely independently of one another, competing to host the best startups. Incubators also do not enjoy the necessary formal advocacy role with the government and other public agencies to effectively lobby on behalf of entrepreneurs and the startup sector. Greater efforts by donors and other players in the ecosystem to encourage incubators to work together would undoubtedly yield a positive impact by deepening the entrepreneurial pipeline and improving the quality of support incubators provide. Moreover, partnership would foster sustainability as it supports efficiency through sharing of cost and efforts and optimizing impact. Creating a pipeline of high potential startups is key to attracting investment and funding which in return would promote real success.

In-country and regional integration could play an important role in helping the Mauritanian ecosystem thrive. Despite an encouraging starting phase, the Mauritanian entrepreneurial ecosystem has failed to organize itself in a structured and coordinated way. There is a general lack of appetite among the existing central players (the incubators) to collaborate, while their efforts to collaborate with other key players in the ecosystem, including higher education institutions, the public sector and research centers, have been limited. Mauritanian incubators’ regional and international networks are also very limited and they rarely - if ever - collaborate with other incubators outside the country. While a lack of cooperation has been the overall trend, there have been some timid attempts at cooperation, such as a stakeholder-wide meeting hosted by the World Bank in May 2019 for a brainstorming session on developing an ecosystem-wide online platform. Supporting greater internal and external collaboration can play a critical role in helping incubators and similar organizations in Mauritania learn from each other’s experiences and share knowledge, as well as connect their start-ups and businesses to opportunities in new markets.

**E. ACCESS TO FINANCE: EARLY STAGE AND VENTURE CAPITAL**

Access to finance remains one of the biggest obstacles for the private sector in Mauritania, particularly for new firms. According to the World Bank Enterprise Survey for Mauritania, over 52% of firms surveyed cited access to finance as a major constraint, compared to 39% of sub-Saharan African firms overall and 25% for firms worldwide. Even though the number of entrepreneurship competitions and awards has risen substantially since 2017, most entrepreneurs have no choice but to tap into their own savings (and often their friends’ and family’s) to launch their business idea. Early-stage entrepreneurs experience great difficulty in finding capital, particularly when transitioning from the seed to growth stage, often falling between two stools as their needs are too large to be satisfied by micro-finance institutions but, as we shall see, they also represent too great a risk for the average Mauritanian bank. The graphic below gives a general idea of the average capital needs of the start-ups supported by the 2018 Entrepreneur’s Marathon.
Commercial banks have multiplied in Mauritania - now numbering 17 nationwide - but they are still reluctant to fund startups. Banks lack reliable financial data on startups to guide their investment and they don't have the necessary resources to conduct proper due diligence at a low cost. In addition, local start-ups are not in a position to offer collateral to mitigate investment risks. They also often require small investments, which generates high transaction costs for the bank due to the time needed to investigate and track their credit history. This increases both the cost of financing and the perception of risk for commercial banks. As they are neither equipped nor encouraged to respond, the conditions banks place on companies seeking to secure even minor loans remain unattractive, with especially high interest rates. Most banks remain focused and better-equipped to finance large formal businesses, working capital and stocks and certain sectors (trade, real estate).

Microfinance, although rapidly developing in Mauritania, is not an appropriate avenue for startups to pursue financing. Defined by their high interest rates, short maturities and small loan sizes (rarely exceeding 800,000 MRU or US$20,000), the microfinance sector is not capable of meeting local entrepreneurs’ need for longer term investments. A few other public and private bodies, such as the Fondation Abass (supported by the BMCI, Banque Mauritanienne pour le Commerce International) and the Caisse des Dépôts et de Développement (CDD) offer loans to entrepreneurial projects and other income-generating activities. Nevertheless, the timeframe associated with these sources of funding and the amounts they provide are not enough to make up for the lack of banks willing to offer small and medium-sized loans. These loans are also occasionally tied to a political agenda, making the landscape even more complex for young entrepreneurs.

Equity and venture capital are almost non-existent in Mauritania. Data from the Global Competitiveness Index shows that venture capital availability in Mauritania is low (at 2.12 on a scale of 1 to 7, not far from countries like Zimbabwe and Yemen at 1.8). This has in fact decreased significantly since 2007 (latest data is from 2017). Except Investisseurs & Partenaires (I&P), the country does not have a structured network of “business angels” or private equity firms capable of financing a large number of startups. The evolution of the Mauritanian ecosystem and a deepening of the pipeline of viable businesses may be one solution to some of these challenges. For example, several investment funds have visited in recent years the country and a national group of private sector operators recently established INTAJ in 2019 as an agribusiness accelerator and others such as InvestSahel and Ivuka Capital, a local US$2 million-initiative backed by the Banque Nationale de Mauritanie (BNM), are about to launch.

The supply of alternative investment instruments remains largely unknown to Mauritanian entrepreneurs. Mauritanians are often unaware of international funds and similar initiatives supporting entrepreneurship or specific sectors like clean cooking, health and agriculture. These include funds like the Mobile for Development Utilities Innovation Fund, which supports innovators interested in leveraging mobile technology to improve access to basic utilities and the Spark Fund, which supports clean cooking. Mauritanian entrepreneurs tend to lack the necessary preparation, awareness and skills (particularly language skills as most information about these funds is only available in English) to gain access to these grants. It is important to note that CDD was initially launched to provide alternatives to standard sources of financing for youth-led start-ups and initiatives. The institution boasts over having funded over 7,800 projects since its creation in 2010 across all sectors of the sector. That
being said, however, both CDD and its beneficiaries express a lack of satisfaction with the institution’s performance in terms of accessibility and disbursement.

F. INFRASTRUCTURE AND NETWORKS

The lack of reliable, high-quality hard infrastructure, such as roads, ports, communication and energy facilities, poses a major challenge to Mauritanian companies. Startups are at even more of a disadvantage compared to larger companies on this front, as the cost of accessing infrastructure will always be much higher for them. Mauritanian companies consider access to electricity to be the second-largest constraint to their operations and about 58% of Mauritanian firms consider it a major constraint, compared to an average of 40% in sub-Saharan Africa. Similarly, 46% of Mauritanian firms identify transportation as a major constraint (20 points more than the average for the continent at 26%).

Entrepreneurs experience similar challenges accessing the Internet. Even though Mauritania is experiencing improved Internet connectivity in urban areas, overall access remains low as only 46% of people living in urban areas had a regular Internet connection in 2017. Quality is also a challenge: Mauritania ranks 177th out of 179 economies on broadband speed, according to the Speedtest Global Index. Among other issues, this means that Mauritanian entrepreneurs and incubators cannot easily access vital online resources like MOOCs, which constitute a good and affordable source of quality learning and training courses that are likely not easily available on the local market.

With regard to soft infrastructure, Mauritania has recently seen the emergence of private, academic and non-profit institutions that support entrepreneurship and entrepreneurs. These institutions provide valuable but still limited support in the form of business incubation and acceleration, co-working spaces, access to competitions and grants, academic research, practical training, tutoring and networking. However, these institutions themselves face very similar constraints to the entrepreneurs they are trying to support. As we saw in our analysis of the incubator landscape, these institutions are limited in their own skills and financial resources and don’t have the necessary access to national and international networks to promote their startups.

G. NEXT STEPS AND RECOMMENDATIONS

Following the specific lessons learned and recommendations related to the Entrepreneur’s Marathon, this section aims to conclude presenting a set of broader recommendations for the Mauritanian government, the WB team, donors and all ecosystem players in order to address some of the challenges and bottlenecks presented and discussed in the report. The sole objective of these recommendations would be to promote entrepreneurship development and innovation in the country.

1. Public policies that support the overall startup ecosystem

The Mauritanian government needs to walk the talk, moving from policy discourse and strategy to implementing specific policy actions that will support entrepreneurship development. Expectations certainly rose following the establishment of the Entrepreneurship and MSME Development Unit at the Ministry of Economy to support startup creation and foster an entrepreneurial culture. The government, however, has yet to show it can actively encourage a positive enabling environment and provide the kind of infrastructure demanded by new and young entrepreneurs. The broad category of entrepreneurs and incubators’ needs, and the matching wide range of potential interventions would require the government to be selective in identifying and targeting the most pressing asks to respond to. Focusing scarce public resources on a limited number of activities that will have the most impact is a daunting but necessary task for a country like Mauritania with the resources it has. Additional research or innovative selection mechanisms such as policy hackathons, where policy challenges are presented to multiple ecosystem stakeholders so they can collaborate to propose solutions, could also be explored. Nevertheless, research conducted by the team both during and after
the Marathon finds a strong consensus around the need to increase government support is strongest in the areas listed below:

• Establishing a well-coordinated institutional architecture for startup and entrepreneurship related policies and initiatives: in light of increasing attention to the agenda, Mauritania will need to adjust its strategy and instruments to better address existing market failures and gaps. The country needs to redefine responsibilities of different agencies to create a viable and effective institutional umbrella. The government needs to improve the overall coordination and coherence of the startup, youth employment and entrepreneurship programs.

• Investing in human capital: the number one priority for the country should be to invest in human capital in order to develop the skills start-ups are looking for, as well as entrepreneurial skills like in ICT, risk-taking, creativity and innovation to foster new ideas and overall business development. Mauritania needs to move toward a broader inclusion of learning and training opportunities for youth and adults that promote practical, hands-on skills while responding to private sector needs. Taking gender equality and the need to facilitate women's participation is also crucial to pursuing Mauritania's objective of inclusive growth. Introducing courses and training programs on entrepreneurship across a wide array of technical, professional and academic institutions will not only fast track what is being developed among young entrepreneurs being incubated during the ideation/early stage of their businesses, it will also ensure Mauritania has a new generation of motivated and entrepreneurial young people as soon as possible.

• Continue improving the overall investment climate: the government should continue its reform trajectory of supporting competitive businesses, encouraging startup activity and helping entrepreneurs thrive. Besides the regulatory environment for exiting the market, the conditions for competition and accessing finance in particular need to be improved. The recently published World Bank Economic Update for Mauritania provides a set of strong and detailed recommendations, particularly in terms of establishing appropriate legal and regulatory frameworks for these crucial areas of the business environment.

• Support the development of financial products for startups, including providing the necessary legal framework for VC and PE investment.

• Set up a startup status: Mauritania does not have a specific startup status recognizing the particularities and difficulties of launching an innovative idea into a business. Experience in similar contexts has shown that Mauritania would benefit from introducing a special fiscal regime (grace periods, preferential rates, etc.) and an appropriate legal framework dedicated to startups. Other forms of preferential treatment could be explored such as waving custom duties and facilitating access to land and other public services at a lower cost and/or via a leasing or temporary concession approach.

• Protecting innovation: legal protection of intellectual property rights (IPR) is still a relatively new concept in Mauritania, and those seeking legal redress for IPR infringements will find very little historical record of cases or legal structures in place to support such claims. Though the government is in the process of launching reforms to update the current IPR framework (developed in 1977) on property, product certification and accreditation bodies to protect IPR remain flimsy and the agency in charge of tracking and enforcing IPR demonstrates considerable capacity constraints.

The WB team through its ongoing IFC Mauritania Investment Climate and Entrepreneurship Advisory project could facilitate know-how, access to regional and international experience and work with the Government to define a clear path and action plan for entrepreneur support anchored in a clear definition of roles and responsibilities. This action plan would certainly help donors better visualize where and how they can intervene.

2. Supporting women entrepreneurship opportunities

At the policy level, legal barriers to women's full participation in the economy must be removed from legislation. If the Government hopes to continue to generate acclaim for its private sector reform agenda it should begin to explore, for example, removing legal forms of discrimination in registering property, enforcing contracts, providing credit and restrictions
on married or unmarried women’s ability to work. This should be the subject of advocacy efforts by both donors and the incubator/entrepreneurship class. Indeed, the regulatory framework is a specific area in which the World Bank can play a key role, as both the annual Doing Business and Women, Business and the Law reports measure women’s ability access to the economy as an indicator of a country’s relative performance.

- Advocating for legal reform: as part of ongoing dialogue with the Mauritanian government on reforms to boost private sector performance, the World Bank Group (as part of the IFC Advisory project) and other partners/donors should target legal restrictions on women’s access to assets, recourse to justice and certain sectors of the economy. For example, the WB team could draw the government’s attention to the two Doing Business indicators (registering property and enforcing contracts) that, inspired by the Women, Business and the Law report, take restrictions on gender into account when giving a score. One particular piece of legislation that could be targeted for amendment is Article 58 of the Code on Personal Status (Law No. 2001-052, dated 19th July, 2001) which currently allows for married men and women to have different property rights under the law. Enforcing contracts, meanwhile, are more likely to be subject to sharia law (less weight given to a woman’s testimony than a man’s) than Mauritanian law (which is non-discriminatory). The de facto situation remains discriminatory, however, as Mauritanian courts are more likely to defer to sharia law in these cases.

At the operational level incubators and other entrepreneurship-supporting organizations should follow the multi-pronged strategy laid out in the 2018 Marathon in both targeting and implementation of entrepreneurship-supporting initiatives.

Targeting
- Target women beneficiaries explicitly, along with their entourage: This entourage includes family (husbands, fathers, in-laws, etc.) as well as potentially the wider community.
- Rely on established women’s networks and other trusted interlocutors to reach and target women beneficiaries: This would help convince, for example, a potentially disapproving family or community and facilitating their participation.

Implementation
- Taking women’s constraints into account in design of programs: This is particularly important in terms of women’s time poverty relative to men’s i.e. need to balance family responsibilities with work e.g. need to work around times to pick up/drop off children from school, need to be home for meal times).
- Need for gender-segregated and women-only sessions or events: This may also be especially necessary in more conservative contexts to a) protect women from reputational risk associated with mixing with men outside their family and b) give women the space to discuss certain constraints amongst themselves and also build their self-confidence in a more relaxed environment with like-minded women entrepreneurs and similar role models where they can receive advice and feedback.

3. Professionalizing existing structures

As discussed, the success of an incubator, and therefore the success of the startups they are incubating, is intrinsically linked to the quality of the support they can provide. Teams setting up and running these support programs must be sufficiently qualified, which is not currently the case. As incubation/acceleration is a nascent concept in Mauritania, there is currently no training mechanism for managers and incubator facilitators and incubator leadership needs to reflect on their strategic positioning on the market in order to better define their target audience, the services they should be providing and, of course, their sources of income. Moreover, these structures have major capacity issues when it comes to written management procedures, as well as lacking in standardized training programs (including M&E of these programs). A lack of mentorship and financing solutions (alternative or traditional) represent major challenges for both incubators themselves and their client start-ups. The Mauritanian government and donors should work with incubators on developing customized training and support tools that can be shared among incubators to help them develop their own strategy/business plan, as well as better manage day-to-day operations and identify and secure strategic partnerships.
Based on incubators capacity needs assessment conducted, the WB team, is currently finalizing the design of a capacity building program for incubators. The capacity building program is expected to start in September 2019.

4. Building networks and nurturing collaboration

Mauritanian entrepreneurial ecosystem would strongly benefit from developing formal and effective networks to share information, knowledge and good practices across the entire ecosystem, as well as coordinate advocacy efforts and provide incentives to the various players to specialize and build on their respective strengths. Actively sharing knowledge, information and connecting players across the ecosystem – particularly entrepreneurs - is vital to building a real startup community. Sharing information about experts in the local market, success stories, new technologies and business models, connecting mentors to each other and young entrepreneurs, academia, incubators and overall collaboration among key stakeholders would have a very positive impact on Mauritania’s ecosystem performance. To date, many incubators and their leadership enjoy informal relationships with the government and public officials (often due to family connections), rather than being seen as serious advocacy force and taken seriously as the mouthpiece of the MSME and startup sector. Mauritania has put in place a set of private and public initiatives to foster startup creation and growth, however these programs suffer from weak coordination and an absence of formal channels through which to cooperate. Ecosystem-wide gatherings and specific coordination meetings are rare, especially those involving universities and higher research institutions. This lack of communication, coordination and collaboration is widely perceived by all players on the ground and is acknowledged as counterproductive. In this sense, ecosystem players would benefit from setting up a formal channel to share resources, collaborate, and work on having a single and more powerful common voice.

As a first step into promoting greater collaboration, the WB team will facilitate the creation of a knowledge platform supporting networking among startups and ecosystem actors, providing access to competences, resource people and to relevant information, communicating and providing visibility about entrepreneurship ecosystem and key issues preventing it to develop.

5. Thinking holistically about the ecosystem: filling the gaps.

A holistic, evidence-based approach to supporting entrepreneurship is essential. The Mauritanian entrepreneurial ecosystem has undergone significant changes and innovations in recent years, with a growing number of incubators and business plan competitions providing much-needed support and grants to businesses at the ideation and very early stages of their development. Any maturing startup ecosystem must seek to fill its outstanding gaps (see for instance figure 22). If Mauritania is to catch up with the impressive performance and speed of its peers and develop a solid entrepreneurial pipeline (one of the primary objectives of the Marathon), all the players in the ecosystem need to act to make a better and smoother enabling environment but using a holistic approach. This would entail, for example, reflecting on start-ups’ funding needs at different stages of their life cycle and developing specific support programs and tools at each of these stages, including during the valley of death, growth and exit phases.
**ANNEX I: MARATHON 2017 AND 2018 KEY RESULTS**

**Marathon 2017**

During the Caravan, about 1,730 people attended the Marathon presentation sessions. Most of the participants attended the presentations organised in Nouakchott (1,200 persons over 11 locations), and about 530 persons attended the presentations sessions in Bogge, Kaedi, Rosso and Aleg.

542 candidates (amongst them 192 women or 35%) applied for the Marathon (a total of 201 teams). About half the candidates had a graduate or undergraduate qualification, and most came from the cities of Nouakchott, Nouadhibou and Kaédi (see figures below). 57% of the participants were between 23 and 35 years of age.

### EDUCATION LEVEL OF CANDIDATES

- Primary: 37%
- Secondary: 23%
- Undergraduate: 11%
- Graduate: 29%

### AGE CATEGORY OF THE CANDIDATES

- <20: 13%
- 20-23: 26%
- 23-28: 31%
- 28-35: 8%
- 35-40: 3%
- 40+: 3%

### ORIGIN OF CANDIDATES

- Aleg: 250
- Atar: 229
- Kaedi: 149
- Nema: 33
- Nouadhibou: 86
- Nouakchott: 8
- Rosso: 2
- Selibaby: 1
21 teams selected (for a total of 60 people – including 19 women or 32%), and 18 teams took part in the 42-day incubation. Three teams ultimately never completed the Marathon, citing transport and lodging issues. 16 reached the final (two team leaders had other commitments and couldn’t attend most of the trainings). The selection lead to selecting better educated people (72% of participants had received college education as compared to 52% of candidates), and an increased proportion of people between the age of 28 to 40. 52% of the participants to the Marathon were between 28 and 40 years of age, compared to 39% of the candidates, and the proportion of participants younger than 28 and older than 40 reduced. Finally, most of the participants came from Nouakchott and Kaédi.
At the end of the Marathon, a survey was conducted with the 18 teams, to collect feedback on the quality of the trainings and different activities offered to the participants. The session dedicated to prototyping and the importance of early implementation was the most satisfactory and well received by the participants, mainly because it provided the participants with an opportunity to test their idea in real life, outside of the classroom in a fun and interactive way, and brought them closer to real implementation of their project. The trainings apparently did too little to underline the difficulties linked to entrepreneurship and the pitfalls to avoid.

As far as media reach and attendance are concerned, it is estimated that over 49,000 persons have been informed about the Marathon via social media and various news channels and 3075 people attended the Entrepreneur’s Weeks. Social media include Facebook, Twitter and the website of the Marathon. Photo and video reports as well as posts covering the Marathon and the Entrepreneur’s Week were published online on Mauritanian news websites such as Cridem, RIMNow, Al-Akhbar, Financial Afrik, Le Reflet, Kassataya and Mozaikrim. TV and radio shows covered the Entrepreneur’s Week (3 TV channels covered the event – Télévision de Mauritanie, Sahel TV, TV Al-Watanya – and 2 radios – Radio Nouakchott and radio Koboni).
Marathon 2018

In 2018, additional efforts were dedicated to promoting entrepreneurship, women engagement and organizing introductory workshops to micro-enterprise during the Caravan. Surveys were conducted to collect demographics and opinions of about 1000 participants. This allowed the Marathon team to gather insights about entrepreneurship in rural areas.

A total of 495 applications were received, both online and through the Marathon focal points in 14 cities. 60% of the applicants were female. Only 437 applications were complete (representing 1609 people) and were considered for a pre-selection stage. 20 teams of 66 participants were selected to enter the competition. These teams were 54.5% men and 45.5% women. They came largely from Nouakchott (17 teams) with three teams coming from other cities (Birette, Bogué and Nouadhibou, though the Nouadhibou team dropped out after the Boot Camp).

During the caravan, 1,276 people attended the workshop “initiation to micro-entrepreneurship”, and about 3,000 people attended the Marathon presentation sessions. 51% of the participants were women, which means that gender parity was achieved. The satisfaction of the participants with the training reached on average 4.5 over 5, with 850 participants ranking 4 or 5 out of 5. The population attending these workshops was young, with 72% aged 30 or less, and 30% of them had college education (see the charts below).

The profile of the average Caravan participant stands in stark contrast with the participants of the Marathon, most of whom (55%) have a Master’s degree. The other 30% had an undergraduate diploma and just 15% of the finalists had completed secondary education alone. Indeed, the profile of the 2018 and 2017 finalists were quite similar (highly-educated, average age 20-30, based in Nouakchott, etc.). The winners of the 2018 Marathon were even more educated, with 60% of the winners holding a Master's and the other 40% holding an undergraduate degree (none of the winners, therefore, have less than third-level education). The winners were also more experienced in entrepreneurship than all the participants (60% vs 55%).

As with the 2017 Marathon, a survey was conducted after the 2018 competition with 10 of the teams (15 people) to collect feedback. Overall the Marathon was lauded by participants, two-thirds of whom answered they would recommend the program as 10/10 to others (the remaining 33% marked the recommendation at 8 or 9 out of 10). Similarly, 60% found the program “very useful” with the rest answering that the Marathon was either “quite” or “more or less useful.” It is interesting to note that the least appreciated aspect of the program was the technical training, reflecting the enduring challenges Mauritanian incubators face in terms of providing adequate support to businesses. As was noted in the report, this is an ecosystem-wide problem as a lack of technical expertise was cited by the Marathon businesses as the main challenge they have experienced since the competition.”
As for media coverage and attendance, it is estimated that a total of 73,000 people were reached about the 2018 Marathon via social media and various news channels and 1,200 people attended the Entrepreneur’s Week with 7,900 people reached via social media. For the second version of the Marathon, social media included Facebook, Twitter, Instagram and the website of the Marathon. In order to create more traction, the team organised live broadcasts on Facebook of some of the Marathon’s sessions. Photo and video reports as well as posts covering the Marathon and the Entrepreneur’s Week were published online on Mauritanian news websites such as Cridem, RIMNow, Al-Akhbar, Financial Afrik, Le Reflet, Kassataya and Mozaikrim.
### ANNEX II: BUDGET

The budget for the 2018 Marathon was higher than for the Marathon 2017 (see table below). Most of the implementing partner’s staff and the organization of the training and coaching sessions in 2017 were organized by volunteers at the World Bank Office in Nouakchott. This helped reduce the overall cost of the Marathon. In 2018 the Caravan was a significantly larger event, with increased reach and impact due to more stops and workshops organized with the support and funding of the ILO. These additional resources contributed increasing the overall budget. Finally, the amount distributed as awards in 2018 was much higher than in 2017, thanks to sponsoring from the PNUD, the BMCI, Kosmos and the SWEDD project.

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<th>Category</th>
<th>Amount 2017 (USD)</th>
<th>% of total 2017</th>
<th>Amount 2018 (USD)</th>
<th>% of total 2018</th>
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