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# USAID INFORMAL LIVELIHOODS ADVANCEMENT ACTIVITY (IQLAA) FACT SHEET

2022-2027 • Lead Implementing Partner: Mercy Corps

## BACKGROUND

Jordan's micro and small enterprises (MSEs) comprise 98 percent of the country's businesses, employ around 60 percent of the country's private sector workforce, and contribute half of the national GDP. Home-based-businesses (HBBs) and MSEs in Jordan, including informal businesses, have been facing overlapping challenges, such as limited access to markets and business development services, as well as a burdensome regulatory environment, underdeveloped infrastructure, and limited management capacity. MSEs face strong competition within the country's domestic market, and export markets require difficult-to-meet volumes and quality standards.

## PROGRAM OVERVIEW

The USAID Informal Livelihoods Advancement Activity (Iqlaa) is a five-year USAID-funded program that started in 2022 and aims to support Jordan's HBBs and MSEs to grow, transform, and become resilient to future shocks. Iqlaa's approach explores new ways of doing business and improving access to finance, markets, and services. The program focuses on four sectors: agriculture, hospitality and tourism, manufacturing, and services, with a special focus on technology development and implementation. Iqlaa infuses a gender, youth, and social inclusion lens throughout all interventions.

Through research and adaptive collaborative learning, Iqlaa will identify opportunities, incentives, and market constraints that facilitate or restrict formalization and growth. Based on the findings, Iqlaa will

implement best practices in enterprise strengthening, inclusive job creation, and financial sector development within a market systems development (MSD) framework. Iqlaa will also leverage innovative behavioral change methodologies to facilitate long-term, sustainable changes in the MSEs ecosystem in Jordan.

**Implementing Organizations:** Mercy Corps (Lead Implementer), Andersen for Legal and Tax Consultancy, Dalberg Design, Expectation State, Middle East Investment Initiative (MEII), Migrate-Jordan, Q-Perspective, and American Chamber of Commerce in Jordan (AmCham).

## IQLAA SERVICES

- **Conditional Grants:** Iqlaa will extend grants to market actors for formalization, start-up funding, business growth, innovation and scale, and technology integration. Grant schemes will be updated annually.
- **Increased business linkages and access to markets** for MSEs through aggregators and lead firms.
- Supporting MSEs through **incubators and accelerators**.
- **E-Commerce support** to build e-commerce knowledge and skills and establish online stores.
- **Business mentorship** for MSEs through Mercy Corps' **MicroMentor**.
- **Business and financial management** capacity building programs and software adoption services.
- **Legal and formalization** advisory services.
- **Support for MSEs owned by people living with disabilities** for better access to markets.
- **Enhancing Public-Private Dialogue** around priority issues faced by MSEs.

## ANTICIPATED RESULTS

- Reach 11,000 MSEs in Jordan with Iqlaa's services and support during the program period.
- Provide formalization support to growth-oriented informal businesses.
- Create employment opportunities through Iqlaa's interventions.
- Increase sales and revenues for MSEs through access to markets and business opportunities.
- Create business linkages for MSEs with broader value chains and larger businesses.
- Provide MSEs with financial management services/ products and access-to-finance.
- Unlock the potential of female labor force in Jordan through gender-sensitive activities, while reinforcing other USAID investments to ensure holistic support.
- Identify and test technology-enabled and digital solutions to tackle youth employment.
- Create employment opportunities for women, youth, and persons living with disabilities.

### Contact

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