



U.S. Embassy Amman



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# 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 approximately 60 percent of the 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, underdeveloped management and financial skills, as well as a burdensome regulatory environment and underdeveloped infrastructure. MSEs face strong competition within the country's domestic market, and export markets require difficult-to-meet volumes and quality standards.

## PROGRAM OVERVIEW

The Informal Livelihoods Advancement Activity (Iqlaa), funded by the United States Government, is a five-year program that started in May 2022 and aims to support Jordan's HBBs and MSEs to grow, transform, and become resilient to future challenges. Iqlaa's approach explores new ways of doing business and improving access to finance, markets, and services. It focuses on four sectors: agriculture, tourism and hospitality, manufacturing, and services, with a special focus on technology integration. The program encourages and supports the participation of all MSE-owner segments.

Through research and adaptive collaborative learning, Iqlaa has identified opportunities, incentives, and constraints that facilitate or restrict formalization and growth. Based on findings, Iqlaa implements best practices to strengthen businesses and develop an MSE-focused financial sector within a market systems development framework. Program activities are delivered with a strong localization element to respond to specific market needs and the local context. Iqlaa also leverages innovative behavioral change methodologies to facilitate long-term, sustainable changes in the MSEs ecosystem in Jordan.

**Implementing Organizations:** Mercy Corps Jordan (Lead) | Expectation State | Dalberg Design | Migrate-Jordan | Middle East Investment Initiative | Andersen Legal-Jordan | The American Chamber of Commerce in Jordan

## **IQLAA SERVICES**

- **Enhancing entrepreneurial, managerial, technical, and financial skills** through capacity-building programs.
- **Fostering business linkages and access to markets** through aggregators, business-to-business platforms, and business-to-customer platforms.
- **Providing business guidance and support** offering diverse diagnostic tools and business development assistance through established business hubs and experienced advisors.
- **Supporting innovation-driven experiential learning environments** such as hackathons to support early-stage businesses to thrive.
- **Enabling MSEs to establish and manage online stores**, strengthening their digital presence and integration into the e-commerce ecosystem.
- **Business mentorship** and guidance.
- **Strengthening MSEs' financial management practices** with accounting software and hands-on training.
- **Enhancing access to appropriate financial services and products** by improving the capacity of financial service providers to cater to MSEs' needs.
- **Supporting MSEs formalization** through awareness, legal assistance, and cost coverage for eligible businesses.
- **Enhancing public-private dialogue** around priority issues faced by MSEs.

## **ANTICIPATED RESULTS**

- Reach over 10,000 MSEs in Jordan with program services and support.
- Create business linkages for MSEs with broader value chains and larger businesses.
- Increase sales and revenues for MSEs through access to markets and business opportunities.
- Provide MSEs with financial management services/ products and access to finance.
- Extend formalization support to growth-oriented informal businesses.

### **Contact**

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