



AMAP BDS IQC

*Accelerated Microenterprise Advancement Project:
Business Development Services*

The AMAP BDS IQC is an attractive contracting vehicle for missions concerned with economic growth and poverty reduction. The first IQC that integrates poverty reduction into an economic growth strategy, AMAP BDS provides missions with the contracting vehicle, corporate capabilities, personnel and skills to design, implement and evaluate economic growth, competitiveness and trade programs. Its value chain approach (see below right) has the potential to increase the effectiveness and sustainability of programs in natural resources management, health, financial services and conflict mitigation and management.

AMAP BDS IQC AT A GLANCE

- IQC holders: ACDI/VOCA, DAI and LBG
- Duration: Sept 2002-Aug 2007
- Multiyear task orders can be issued any time before Aug 31, 2007

An Indefinite Quantity Contract (IQC) is an umbrella contract that allows USAID missions to buy the services of pre-qualified contractors through a limited competitive bidding process or by sole-sourcing, thereby expediting the award-making process. These awards, called task orders, can be for any amount up to a predetermined ceiling. IQCs use a simplified costing structure with fixed daily rates and labor categories.

ACDI/VOCA is one of three prime contractors under the AMAP BDS IQC. Each prime contractor has an approved consortium of subcontractors but additional subcontractors can be brought on for specific task orders. The goal of AMAP BDS is to create wealth in poor communities and promote economic growth by sustainably linking large numbers of microenterprises into productive value chains. The IQC can be used to provide short- or long-term services to USAID missions in areas consistent with this goal. Services include market assessments, value chain analyses, program evaluations, best practice dissemination, training and technical assistance at all stages of the project cycle from strategic planning and pre-project design to project redesign and impact assessment.

Task Orders

Through the \$2.5 million Knowledge and Practice (K&P) Task Order, ACDI/VOCA worked with USAID's Microenterprise Development Office to develop the value chain approach. The \$10 million follow-on K&P II Task Order—held only by ACDI/VOCA—aims to increase adoption of value chain approaches and associated best practices in a range of USAID-

ACDI/VOCA's Value Chain Approach

The value chain is all the activities and services that bring a product (or a service) from conception to end use in a particular industry—from input supply to production, processing, wholesale and finally, retail. Taking a "value chain approach" to economic development means addressing the major constraints and opportunities faced by businesses at multiple levels of the value chain. ACDI/VOCA's value chain approach focuses on industries employing large numbers of the poor and with the potential to become and remain competitive in global markets, making this approach relevant in a wide array of programs for which poverty reduction and/or wealth creation is either the ends or the means.



funded programs including those in post-conflict and insecure country contexts. ACDI/VOCA's K&P II Consortium is comprised of Action for Enterprise, Banyan Global, CARANA, the Center on Globalization, Governance and Competitiveness (Duke University), Conservation International, Impact LLC, Michigan State University and Partners for Democratic Change. Until 2010, missions can buy into this task order for services that contribute to the K&P II learning agenda.

Through a \$525,000, four-year task order awarded by the USAID mission in Kenya, ACDI/VOCA's subcontractor AFE is helping the mission to incorporate BDS principles into current and future programs. AFE is providing recurrent short-term technical assistance to support the implementation of market development approaches and is designing and implementing an impact assessment system for targeted programs in Kenya.

ACDI/VOCA is implementing the \$6.2 million, four-year Growth-Oriented Microenterprise Development Project (GMED) funded by the USAID mission in India. The goal of the program is to develop sustainable and scalable approaches to job creation through fostering the growth of MSEs. The program focuses on high-value agriculture and urban services. GMED uses a value chain approach with embedded services as the primary service delivery mechanism. This necessitates entering into partnerships with larger firms and organizations with commercial, transaction-based linkages to MSEs. GMED acts as a technical advisor to these partner firms and organizations in order to expand the scope and effectiveness of the embedded services, and ensure proportionate benefits for the MSE service recipients.

The USAID mission in Haiti contracted the ACDI/VOCA Consortium to conduct a value chain analysis of the handicrafts sector to inform a competitiveness strategy for the industry. ACDI/VOCA and AFE met with participants from various levels of the value chain to prioritize constraints and opportunities and assess incentives for firms to invest in the industry. A stakeholders' workshop was used to ground-truth the analysis, develop an action plan to address industry problems, and obtain commitment from the participants to implement the plan.

Steps to Issuing a Task Order

1. A mission CTO submits a draft statement of work—a brief synopsis, outline or complete scope of work—to the AMAP BDS CTO for assistance with finalizing, approval and determination of the proper tier (see text box).
2. The statement of work is issued by either the mission CTO or the AMAP BDS CTO to the three contractors.
3. The mission CTO (tier 1) or mission CO (tiers 2 & 3) selects the contractor based on the criteria and requirements within the appropriate tier and finalizes the award.

AMAP BDS THREE-TIER SYSTEM

Tier 1 (Non-competed)

- Task orders under \$2 million
- Selection of contractor based on experience and cost on record with AMAP CTO

Tier 2 (Competed)

- Task orders under \$2 million
- Contractors submit personnel résumés, schedule and cost/price information

Tier 3 (Competed)

- Task orders over \$2 million (for use with task orders under \$2 million, contact AMAP BDS CTO)
- Contractors submit full technical

Contact Information

K&P Program Manager: Ruth Campbell rcampbell@acdivoca.org
K&P CTO: Jeanne Downing jdowning@usaid.gov • AMAP BDS CTO: Scott Kleinberg skleinberg@usaid.gov

For more information see www.acdivoca.org.