COVID-19: Impact on SMEs and recommendations to cope and recover from the crisis

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Women’s Market Segment Manager
SMEs are key to DR’s economy with women leading the Micro enterprise sector

- **1,473,354** Micro and SMEs
- **751,055** Commercial space
- **394,583** Mobile
- **319,676** Agri-business
- **8,039** Fishing and mining

- **38.6%** National GDP
- **2,527,260** Jobs
- **51.3%** Microbusiness
  - **33%** Small
  - **22%** Medium

On November 2019, SMEs comprised 24% of financial sector total portfolio
In general, women owned SMEs face specific challenges in three areas:

**Information**
- Financial Services
- Networks available
- Resources
- Technology

**Training**
- New practical skills
- Self confidence
- Technologic tools
- Digital Marketing

**Networks**
- Industry specific relationships
- Suppliers
- Competitors
- Associations
Challenges SMEs face and pressing concerns

Before COVID

We ADD

Our SMEs Main Concerns

Sales  Cash Flow  Operations  Cost

Business Expenses  Financial Expenses  Payroll  Suppliers

24%  23%  19%  14%
Ideas for SMEs to help recover from the crisis

**Protect**
- Reduce expenses
- Research government help
- Talk to your bank
- Ask for what you need: landlord, banks, suppliers
- Disclose all your concerns to experts: banking representative

**Recover**
- Access to finance if possible
- Revisit your model, channels, services - Digital is a must
- Think about your customer!
- Identify alternatives and opportunities to capture
- Ask your banker for options: payments, going digital, learning resources
- Learn new skills
- Explore partnerships and expand network

**Adapt and Grow**
- Adapt: Digital is here to stay
- Build your skills and your employees’
- Seek for government help, bankers, SME associations, your own sector
- Pursue opportunities
- Look around for success stories

**Action Items For SMEs**

- Ask for:
  - extension of payment period, reduced interest rates, fees waivers.
Banco BHD León offering during COVID-19

- Facilitate payments: suppliers, employees and from clients
- Provide relevant information
- Refinance, restructurizing, reducing fees
- Connect with service providers at a reduced cost
- Provide a digital platform with key information
- Offer expert driven webinars to build new skills
- Offer Moratorium periods
- Online Business consultation

Please visit BHDL Non Financial Services website for SMEs: negocios.bhdlleon.com.do
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