

Building MSMEs Resilience in Developing Countries in time of Multiple Crises

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Introduction

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of economies in developing countries

Globally, MSMEs account for 90% of businesses, 60 to 70% of employment, and 50% of GDP (UN Trade and Development, 2024).

Context and Challenges

Economic instability

- COVID -19 effects
- economic fluctuation
- Inflation
- Taxation

Health Crises

- disease outbreak force business to close (COVID 19, Cholera, Ebola)

Low capacity for MSMEs

- Most MSMEs owners are start-ups and lack adequate skills for MSMEs capacity



Limited Access to Finance

- ❖ Most MSMEs have little collateral and financial history
 - ❖ female entrepreneurs more affected by lack of collateral

Climate Change (CC) Effects

- ✓ Poor suffer more out of CC effects
- ✓ Disrupt agricultural production/lead to food insecurity
- ✓ Derail business supply chain

Proposed activities

Conduct Vulnerability Needs Assessment:

- Organize surveys and focus group discussions with MSMEs to identify their specific challenges
- Gather data on the impacts of recent crises on different sectors.

Implement Training Programs:

- ❖ Develop workshops focused on key areas such as crisis management, financial literacy, and sustainable business practices.
- ❖ Offer mentorship programs connecting experienced business leaders with MSME owners.

Create Financial Support Initiatives:

- Collaborate with banks and microfinance institutions to develop tailored financial products for MSMEs.
- Establish grant programs to support businesses affected by crises.

Facilitate Networking Opportunities:

- Organize events and forums where MSMEs can connect with potential partners, investors, and mentors.
- Promote knowledge-sharing sessions on successful resilience strategies.

Engage in Policy Advocacy:

- ✓ Work with policymakers to develop supportive regulations that enhance MSME access to finance and resources.
- ✓ Advocate for policies that protect MSMEs during crises, such as tax relief or emergency funding.
- ✓ Develop climate resilience policies that mitigate climate change effects and increase local adaptive capacities for MSMEs

Objectives

1. Identify Vulnerabilities: Assess the specific challenges faced by MSMEs in various sectors and regions to understand their needs better.

2. Develop Adaptive Strategies: Create practical frameworks that enable MSMEs to adapt to changing conditions and respond effectively to crises.

3. Enhance Access to Resources: Improve financial support systems and access to resources for MSMEs, enabling them to invest in resilience-building measures.

4. Promote Collaboration: Foster partnerships among MSMEs, government agencies, and NGOs to share knowledge, resources, and best practices.

EXPECTED OUTCOMES

Increased Awareness: MSMEs will better understand their vulnerabilities and available support options

Strengthened Capacity: Enhanced skills and knowledge will empower MSMEs to manage crises and adapt their operations

Robust Collaborative Ecosystem: A network of MSMEs, government, and NGOs will emerge, promoting innovation, sharing resources, and enhancing support systems.

Improved Access to Finance: More MSMEs will secure funding to sustain and grow their businesses, leading to greater economic stability

CONCLUSIONS

Building resilience among MSMEs in developing countries is essential for sustainable economic growth and social development.

CALL TO ACTION

We invite all stakeholders including governments, NGOs, and international organizations to join us in this crucial effort to support MSMEs



Together, we can create a more resilient future for these vital businesses and the communities they serve

Thank You
For
Listening