FREE VIRTUAL CONFERENCE ON

THE IMPACT OF COVID-19 ON MSMEs AND IMPLICATIONS FOR MSME DEVELOPMENT

An Online Participative Conference For MSMEs, MSME Development Organizations, Central Bankers, Ministries of MSME Development and Finance, MSME Sector Development Professionals, MSME Access To Finance Professionals, Commercial and Microfinance Bankers, Development Finance Institutions (DFIs), NBFIs, MFIs, Consultants, FINTECH Companies, Impact Investors, Insurers and Other Stakeholders

June 24 and 25, 2020
Live From LONDON

UK time, 12 Noon to 16:00 Hrs (4 Hour Session for Each Day)

UK OFFICE
Waterman House,  
1 Lord Street, Gravesend, Kent, UK, DA12 1AW. Tel: +44(0)1474 330 730  
Fax: +44(0)1474 321 423  
info@financialinclusionadvocacy.org

AFRICA OFFICE
House No 26, 9th Avenue, Ata Street, Tesano, Accra, Ghana, Post Box KN 6059, Kanrshie, Accra, Ghana.  
Tel: +233 (0) 307 037878  
info@financialinclusionadvocacy.org
The Financial Inclusion Advocacy Centre is an international action-oriented and practice-based think-tank geared toward promoting sustained financial inclusion (including for MSMEs) and responsible microfinance. The Financial Inclusion Advocacy Centre's mission is to build the institutional strength and outreach of the inclusive finance sector, by providing a full range of high-quality, best-practice technical inputs and support to all industry stakeholders including MSMEs, in a sustainable and demand-driven manner. As an independent support centre, FIAC is committed to promoting innovations, transparency, and enhanced access/outreach especially to the poor and thereby contributing to United Nation’s Sustainable Development Goals (UNSDG # 1) and its sub-goals, which include achieving 100% financial inclusion by 2030 across the globe.

**BACKGROUND**

Micro, small and medium enterprises (MSMEs) contribute significantly to the GDPs of many economies worldwide. MSMEs are reeling under the impact of COVID-19 because of both supply and demand side issues. While governments across the world have done what is possible, MSMEs are fast losing their meagre reserves and cannot hope to survive this crisis, unless, substantial help comes their way immediately. This is true for manufacturing, service and other kinds of MSMEs, the world over.

On the supply side, MSMEs face a reduced labour supply as workers are still unable to come to work due to lock-downs and restricted movement. Also, workers may have gone elsewhere, could be unwell and/or would need to look after their families—all these impact their availability. Without a doubt, measures to contain COVID-19, such as lock-downs and quarantines, while necessary, have led to further and more severe drops in labour availability and hence, capacity utilisation. Furthermore, in many countries, MSME workers are also not coming because of fear of infection due to COVID-19 and the like. That is a critical issue facing MSMEs. This apart, supply chains have also been disrupted leading to severe shortages of components as well as intermediate goods in many MSME clusters.

As far as the demand side is concerned, a sudden and significant loss of demand (and revenue as a consequence) for MSMEs has crippled their ability to remain viable and going concerns. This loss of demand has also caused severe liquidity shortages as MSMEs are incurring costs, with virtually no production—often, paying salaries (in several cases), maintaining infrastructure and the like.

The demand shock is very severe because consumers themselves are experiencing several issues—income loss at the individual level in many cases, fear of infection and contagion and increased uncertainty about everything. All these have cascading effects and reduce consumption as well as spending. These effects have been exacerbated because in several instances, workers have been laid off en mass as large companies and some MSMEs have not been able to pay salaries, despite wanting to do so.

Furthermore, while ‘social (physical) distancing’ is a very necessary measure and perhaps the new normal to combat COVID-19, MSMEs are more vulnerable to this ‘social (physical) distancing’ than are other companies—it leads to increases in their costs (including fixed costs).

In terms of credit markets, the all-round uncertainty is not helping and bankers and financial institutions (including MFIs) are reluctant to lend, despite (some of them) being flush with funds and I would not blame them. As in other crisis situations, someone has to underwrite
SESSION PLAN

Day 1: Main Session

• How has COVID-19 changed the contours of MSME Sector globally across countries?
• Where is the MSME sector today in terms of supply and demand side issues (Point A)?
• Where does it need to be one year from now in terms of supply and demand side issues (Point B)?
• How can the MSME sector get from Point A to Point B globally across countries? In other words, what policy Measures are required and how to ensure their effective implementation?
• And which stakeholders need to take charge and ensure that MSMEs, the backbone of many economies, survive and grow to become truly sustainable enterprises in the COVID-19 era?

—Presentation(s)
—Discussions
—Wrap Up

Day 2: Main Session

• Going forward, what are the implications of the COVID-19 crisis in terms of access to finance for MSMEs? What innovative access to finance products can be offered to MSMEs during the COVID-19 era?
• What obstacles (challenges) exist in providing sustained and continued access to finance for MSMEs in the next one year, especially with COVID-19 still being an evolving story?
• What can various stakeholders—including governments and their ministries of finance and MSME development, central banks, commercial and microfinance banks, NBFI, FINTECH companies, MFIs, investors in special MSME funds, insurers and other stakeholders—practically do to enhance sustained and continued access to finance for MSMEs in the (most difficult) COVID-19 era?

—Presentation(s)
—Discussions
—Wrap Up

their risk for they in many ways are protecting depositor funds, which is also very crucial. In general, the overall confidence is very low and despite, measures by many central banks in reducing interest rates, providing directed lending facilities and offering other relief, I am afraid that bankers and FIs (including MFIs) would need a stronger push to actually lend in real time. This is where the governments have stepped in and tried to provide guarantees to banks and FIs (including MFIs) for lending to MSMEs. That said, the overall impact of COVID-19 on financial markets has been such that there is reduced confidence in lending and, therefore, a subsequent reduction of credit lines and the like for MSMEs. While all of these various impacts affect both larger firms and MSMEs, the impact on MSMEs is especially severe due to their higher levels of vulnerability and lower resilience (because of their size and unique aspects). It is in this context that this two day participative zoom conference is being organized by the FIAC. The details of the proposed conference are given below.
Day 2: Concluding Session With Summary

Takeaway (s):
1. Briefing Notes on Implications of COVID-19 for MSME Development,
2. Policy Briefs on Enhancing Sustained and Continued Access to Finance for MSMEs in the COVID-19 era
3. White Paper on COVID-19 and Its Implications for MSME development (Based on workshop deliberations and to be distributed four weeks later)
4. A compendium of research with available links on COVID-19 and MSMEs

FACILITATORS

RAMESH S ARUNACHALAM is author of 12 critically acclaimed books. Apart from being an author, Ramesh provides strategic advice on a wide variety of Financial Sector, Financial Inclusion and Economic Development issues. He has worked in over 311 assignments with multi-laterals, governments, private sector, Banks, NBFCs, regulators, supervisors, MFIs and other stakeholders in 31 countries across 5 continents and 640 districts of India during the last 31 years. Specifically, Ramesh has worked extensively with MSMEs in Asia and Africa and has also participated in MSME policy work in Africa and Asia with governments and other stakeholders (including national and international MSME development agencies). Ramesh's forthcoming book, "COVID 19: IMPACT, LESSONS AND STRATEGIES FOR SUSTAINED FINANCIAL INCLUSION" is due for a worldwide release on July 31, 2020. It has three chapters EXCLUSIVELY devoted to MSMEs (across 30 countries) and their experiences during COVID-19.

GODFREY LORD KWESI CRENTSIL is a Microfinance and MSME expert with over 15 years' experience in microfinance development and supervision. He has trained and practiced extensively in most African and European countries as well as the MENA region.

APPLICATION

The application deadline for this free conference is June 20, 2020. Please note that we do select applications on a first-come, first-served basis. Nevertheless, we will try to form a group of participants with complementary experiences and backgrounds. The number of participants is limited to 50.

REGISTRATION

Please fill the attached registration form and send it to info@financialinclusionadvocacy.org. Once accepted, the Zoom registration details will be sent to you.

DEADLINE

Registration forms should be submitted by the 20th of June, 2020. Late applications will be accepted, subject to availability of place in the conference.
THE FINANCIAL INCLUSION
ADVOCACY CENTRE

FREE VIRTUAL CONFERENCE ON

THE IMPACT OF COVID-19
ON MSMEs AND IMPLICATIONS
FOR MSME DEVELOPMENT

An Online Participative Conference For MSMEs, MSME Development Organizations, Central Bankers, Ministries of MSME Development and Finance, MSME Sector Development Professionals, MSME Access To Finance Professionals, Commercial and Microfinance Bankers, Development Finance Institutions (DFIs), NBFIs, MFIs, Consultants, FINTECH Companies, Impact Investors, Insurers and Other Stakeholders

<table>
<thead>
<tr>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
</tr>
<tr>
<td>Last Name</td>
</tr>
<tr>
<td>Organisation</td>
</tr>
<tr>
<td>Address</td>
</tr>
<tr>
<td>Telephone</td>
</tr>
<tr>
<td>E Mail</td>
</tr>
<tr>
<td>Academic Qualification</td>
</tr>
</tbody>
</table>

June 24 and 25, 2020

Live From LONDON

UK time, 12 Noon to 16:00 Hrs (4 Hour Session for Each Day)
THE IMPACT OF COVID-19 ON MSMEs AND IMPLICATIONS FOR MSME DEVELOPMENT

An Online Participative Conference For MSMEs, MSME Development Organizations, Central Bankers, Ministries of MSME Development and Finance, MSME Sector Development Professionals, MSME Access To Finance Professionals, Commercial and Microfinance Bankers, Development Finance Institutions (DFIs), NBFIs, MFIs, Consultants, FINTECH Companies, Impact Investors, Insurers and Other Stakeholders

June 24 and 25, 2020

UK time, 12 Noon to 16:00 Hrs (4 Hour Session for Each Day)