

# Webinar on: Survey to Assess the Impact of COVID-19 on Service Delivery to MSMEs

Presented by:

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Going **GrEEn** for a  
sustainable future!

## Content

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- ❑ Study Objectives
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- ❑ Challenges imposed by COVID-19
- ❑ Coping measures adopted by service providers
- ❑ Additional Support Needed
- ❑ Policy proposals from respondents

# About the GrEEn Project

Sustainable and climate resilient local economies,  
green jobs and development

Green and climate  
resilient local economic  
development

Improved employability  
and entrepreneurship  
capabilities

Local ecosystem that  
supports youth  
employment & MSMEs

**Result 1:** Local economies are stimulated and short-term job opportunities for **youth, women and returnees** are created through green and climate resilient investments



**Result 2:** Employability and entrepreneurship capabilities of **youth, women and returnees** are improved in sectors of economic opportunities, for the benefit of green and climate resilient local economies



**Result 3:** Increased access and usage of financial services, leveraging remittances, adapted to the needs of (i) **youth, women and returnees** benefiting from cash for work schemes and (ii) local communities and MSMEs



**Result 4:** SMEs, offering decent and sustainable jobs to **youth, women and returnees**, are incubated and/or accelerated and contribute to green and climate resilient local economies



Project duration: 11/2019 – 11/2023

Target regions: Ashanti & Western

Target sectors:



# Purpose of Webinar

- ❑ To present the findings of the COVID-19 survey to respondents and other participants for feedback and validation.
- ❑ To share key lessons from the survey with service providers and policy makers to improve service provision

The background of the slide features a microscopic view of several COVID-19 virus particles. These particles are spherical with a textured, greenish-grey surface and are covered in numerous red, spike-like protrusions. They are scattered across a dark blue background with a subtle pattern of small, light blue dots.

# Survey to Assess the Impact of COVID-19 on Service Delivery to MSMEs in Ghana

## Presentation of Findings

# Study Objectives

- ❑ **Objective 1:** Assess the challenges posed by COVID-19 to the operations of service providers now and during the recovery period
- ❑ **Objective 2:** Explore coping measures initiated by service providers to mitigate the impacts of COVID-19 on their operations
- ❑ **Objective 3:** Establish the additional support needed to enable service providers continue providing support to MSMEs during and after the crisis
- ❑ **Objective 4:** Identify existing opportunities that service providers can leverage to continue provision of services to MSMEs

# Scope of the Study

## Service Providers

- Public sector/Government institutions at national and sub-national levels
- Technical training service providers
- Agribusiness/other agric sector service providers
- Incubation and acceleration hubs
- Business membership organisations
- Industry associations
- Individual/Freelance consultants

## Thematic Scope


- Challenges
- Coping Mechanisms
- Support Needed
- Policy Proposals


A microscopic view of several coronavirus particles, characterized by their spherical shape and numerous surface spikes. The particles are illuminated with a blue and purple light, giving them a glowing appearance. A white horizontal bar is overlaid across the center of the image, containing the title text.

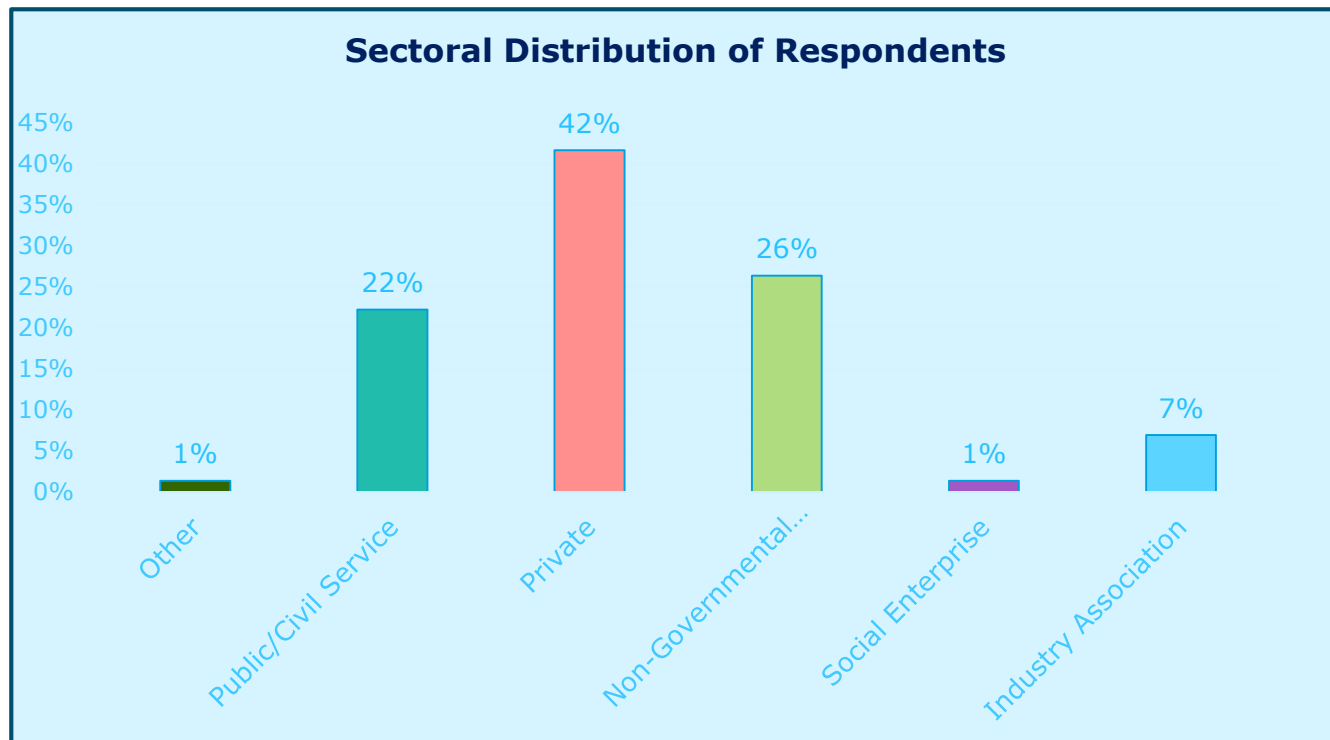
# Background of Respondents



# Profile of Respondents

 = 20%

 = 80%



# Economic Activities Supported



Clean/Renewable Energy



General Trading



Shipping



Agri-business



Oil and Gas



Transport



Youth development



Import and Export



Social Enterprises



Manufacturing



Financial Services



ICT



Construction



Travel & Tour

# Services Provided to MSMEs by Survey Respondents

## Private Sector Respondents

- Business development and advisory services
- Market research
- Market access and trade linkages
- Operational set-up
- Investment readiness services
- Enterprise resilience development
- Human resource retainer services
- Incubation, acceleration and Investment Readiness Support
- Accounting Services

## Public Sector Respondents

- Business advisory services
- Financial assistance (soft loans)
- Training and Education services to MSMEs
- Skills development and training
- Market research for MSMEs
- Identification and development of new business opportunities
- Organisation of fairs
- Youth enterprise development

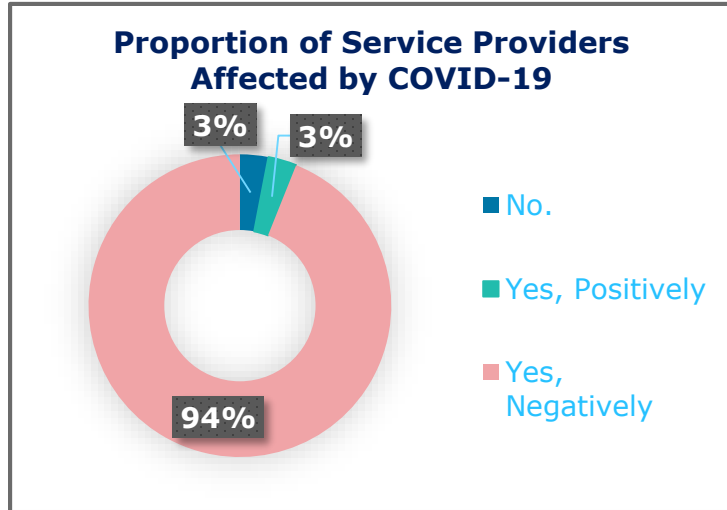
## Respondents from NGOs

- Business Advocacy
- Enterprise Development
- Financial intermediation: Loans, savings, investment advisory
- Market systems research
- Trade missions
- Health and safety training,
- Local supplier development
- Business match making
- Skills development and training

## Industry Associations

- Training
- Research and development
- Market Linkage Services
- Advocacy
- Export Documentation
- Alternative Dispute Resolution
- Trade Missions
- Business match making

# Proportion of Service Providers Affected by COVID-19



## Private Sector Respondents

- Increased demand for mechanization services (land preparation) and agro-inputs;
- Service provision has not been affected because we are a digital platform

## Respondents from NGOs

- Opportunities to innovate through the development of a virtual learning platform

A microscopic view of several COVID-19 virus particles. The particles are spherical with a greenish-yellow core and a red outer shell. Numerous red, spike-like structures (glycoprotein spikes) protrude from the surface of each particle. The background is a dark blue, slightly grainy texture.

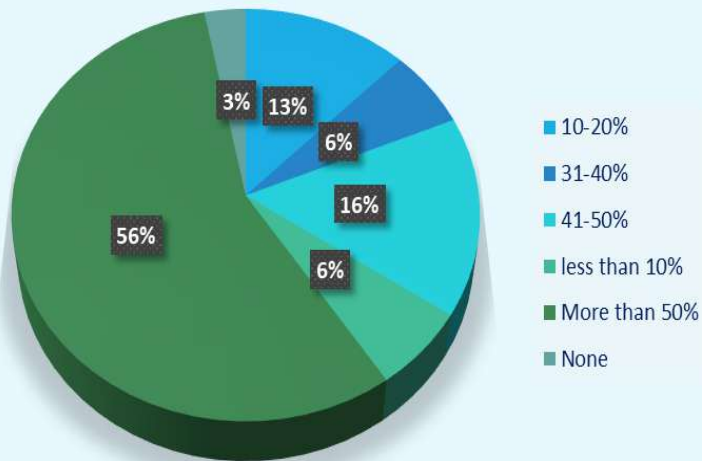
# Challenges Imposed by COVID-19

# Impact on Different Categories of Respondents







Private Sector Respondents	Public Sector	NGOs and Others
<ul style="list-style-type: none"><li>❑ Reduced number of clients</li><li>❑ Small businesses are unwilling to pay for services because of the slow down</li><li>❑ Suspended and cancelled contracts</li><li>❑ Low productivity of staff</li> <li>❑ Disbursement and recovery of loans seriously affected</li><li>❑ Decreased savings mobilisation/deposits</li><li>❑ High withdrawals (affecting balance especially for microfinance companies)</li> <li>❑ Difficulty in organizing training sessions for learners and enterprises</li><li>❑ Inability to undertake outreach/marketing</li></ul>	<ul style="list-style-type: none"><li>❑ Loan repayments have ceased</li><li>❑ Government subvention not coming as expected</li><li>❑ Inability to hold meetings with clients</li><li>❑ Inability to provide capacity support/trainings</li></ul>	<ul style="list-style-type: none"><li>❑ Inability to hold meetings</li><li>❑ Inability to undertake outreach/marketing</li><li>❑ Members are unable to pay membership fees</li><li>❑ Inability to hold regular programmes to source for sponsorship.</li><li>❑ Demand for project services reduced significantly and by implication, revenue.</li><li>❑ Increased expenses.</li><li>❑ Disbursement and recovery of loans seriously affected</li></ul>

# Service Capacity Lost

Fig. 6: Proportion of Service Capacity Lost



# Services Affected by the Pandemic

- 
Training
- 85%
- 
Coaching/Mentoring/  
Advisory Services
- 72%
- 
Marketing and  
Outreach services
- 55%
- 
Financial services
- 45%
- 
Others (Conferences,  
Market research etc)
- 13%
- 
ICT
- 9%

# Impact on Revenue

## COVID-19 Impact on Revenues

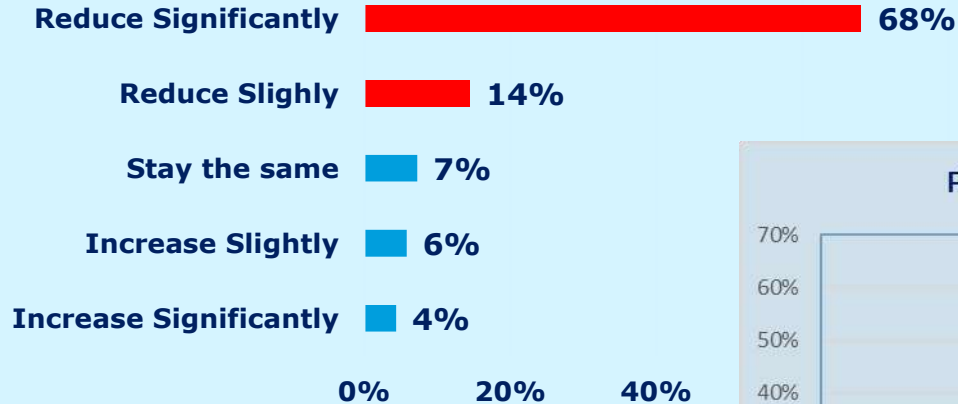
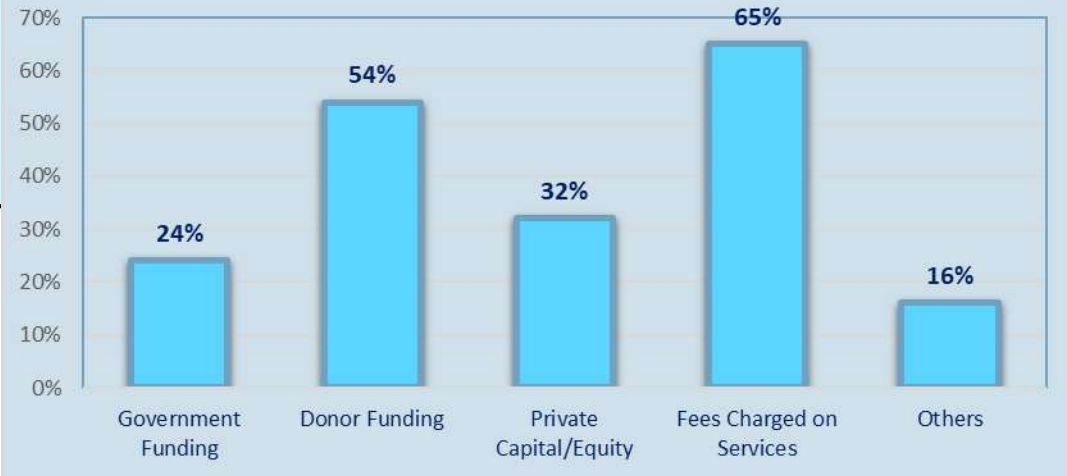
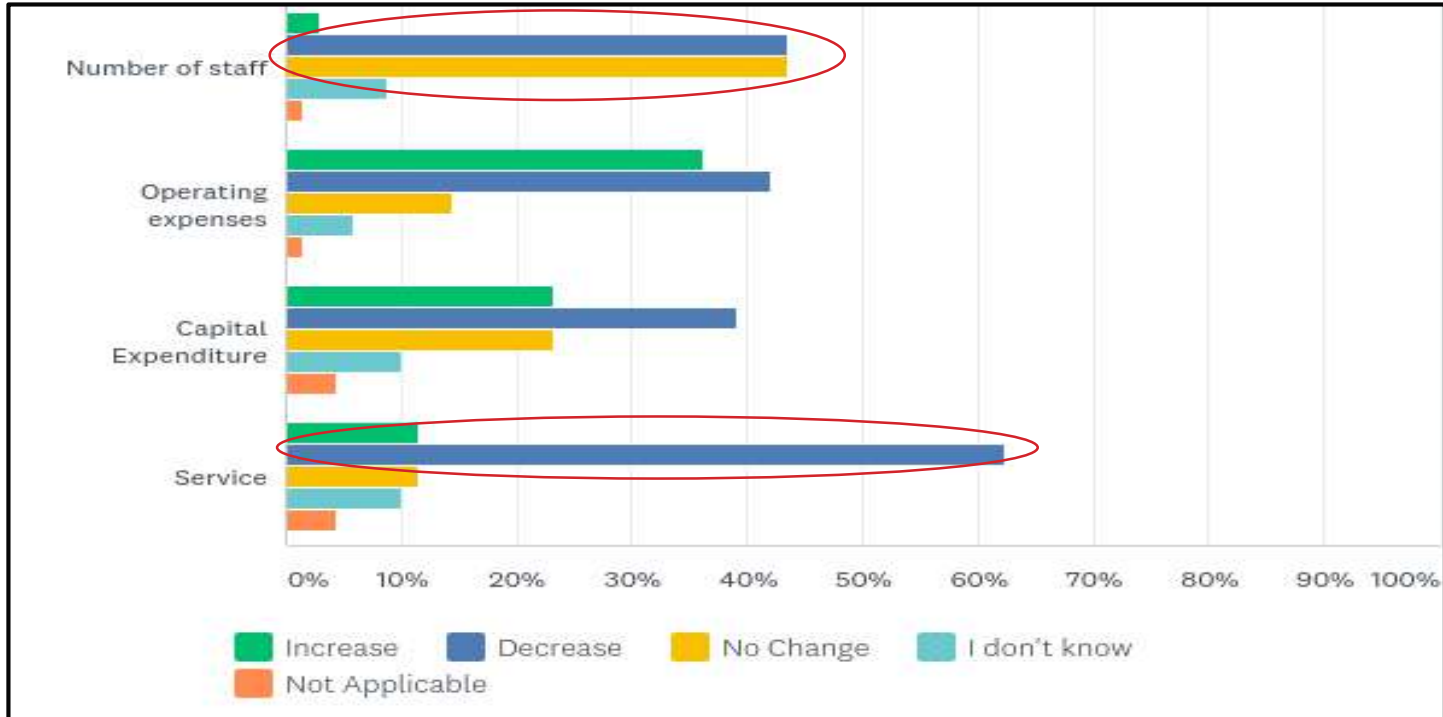


Figure 8: Sources of Funding for Service Providers

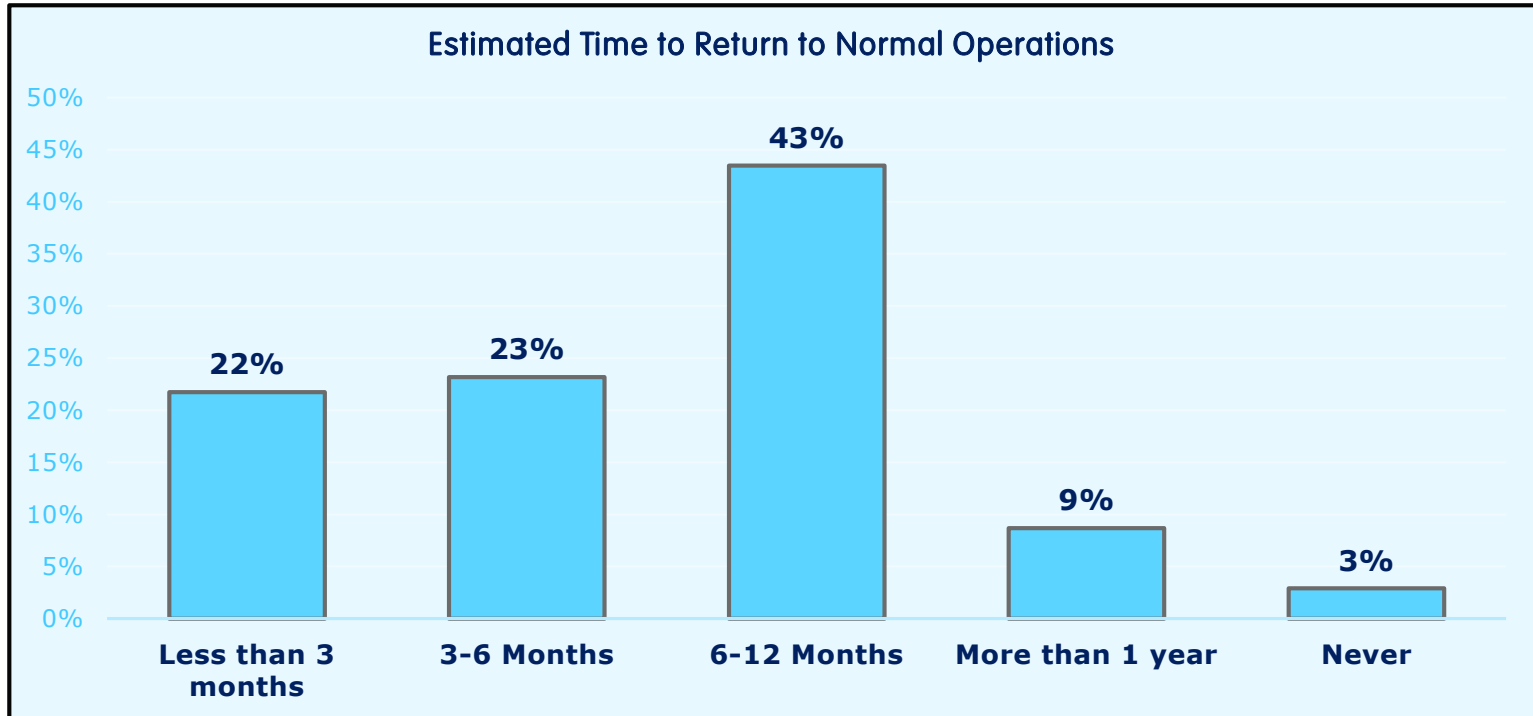




# Projected Impact on Staffing, Operating Expenses, Capex, Services



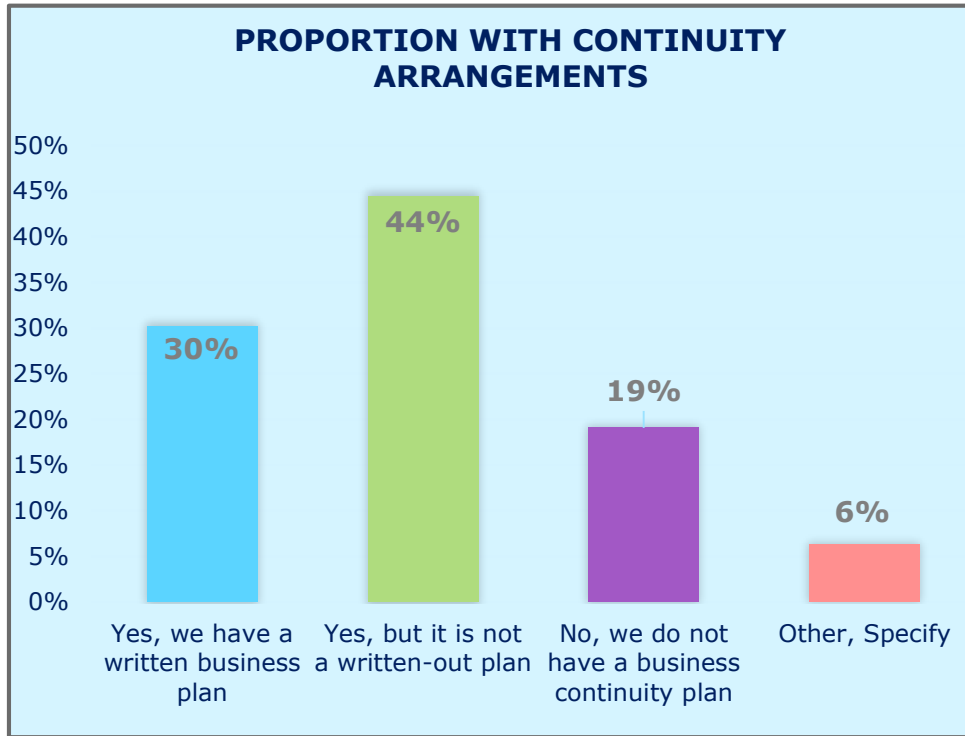
# Estimated time to return to pre-virus state





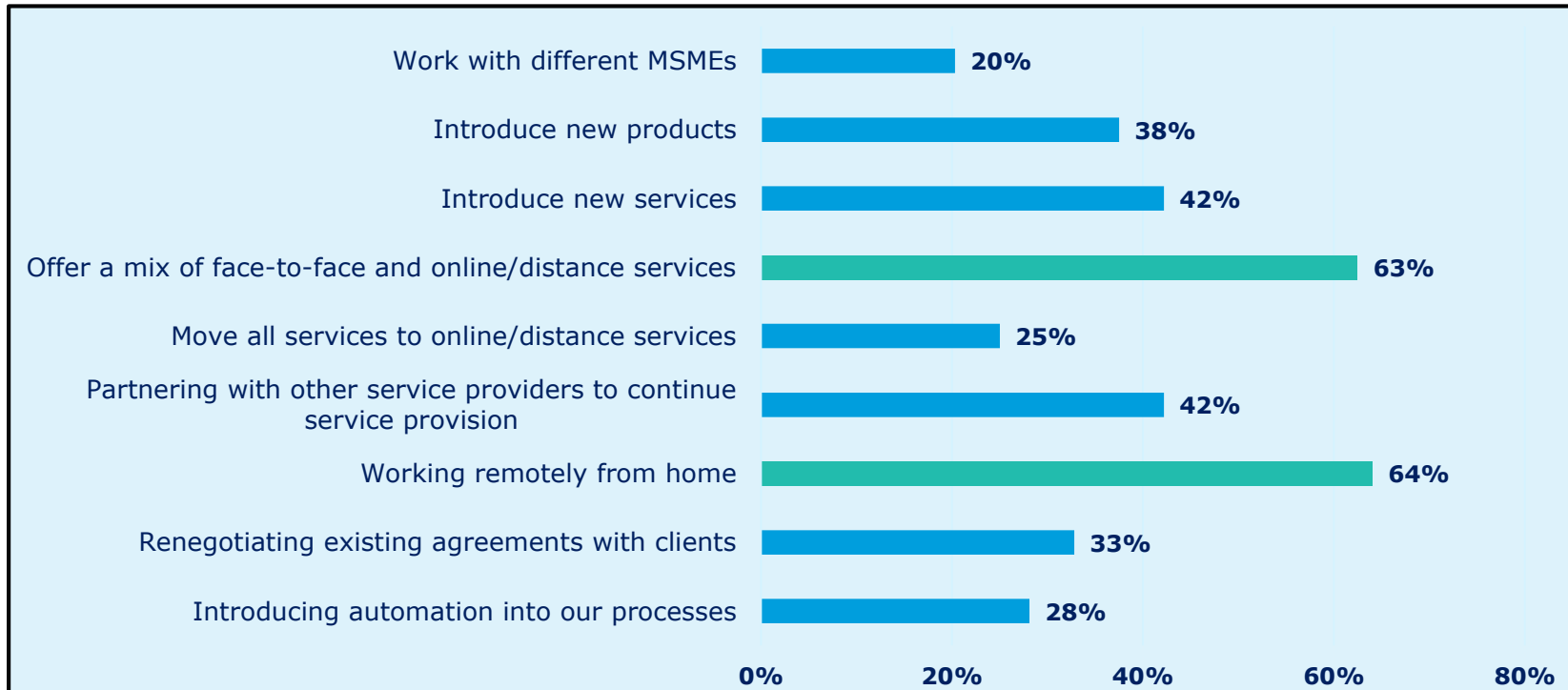
# Coping Measures

# Business Continuity



- Are the quality of contingency good enough to match the constraints imposed by COVID-19?
- Do the service providers not have the capacity to introduce the changes needed?
- Are the changes required of a systems nature, rather than individual level response?

# Tools and Approaches for Service Continuity



# Preferred Coping Tools

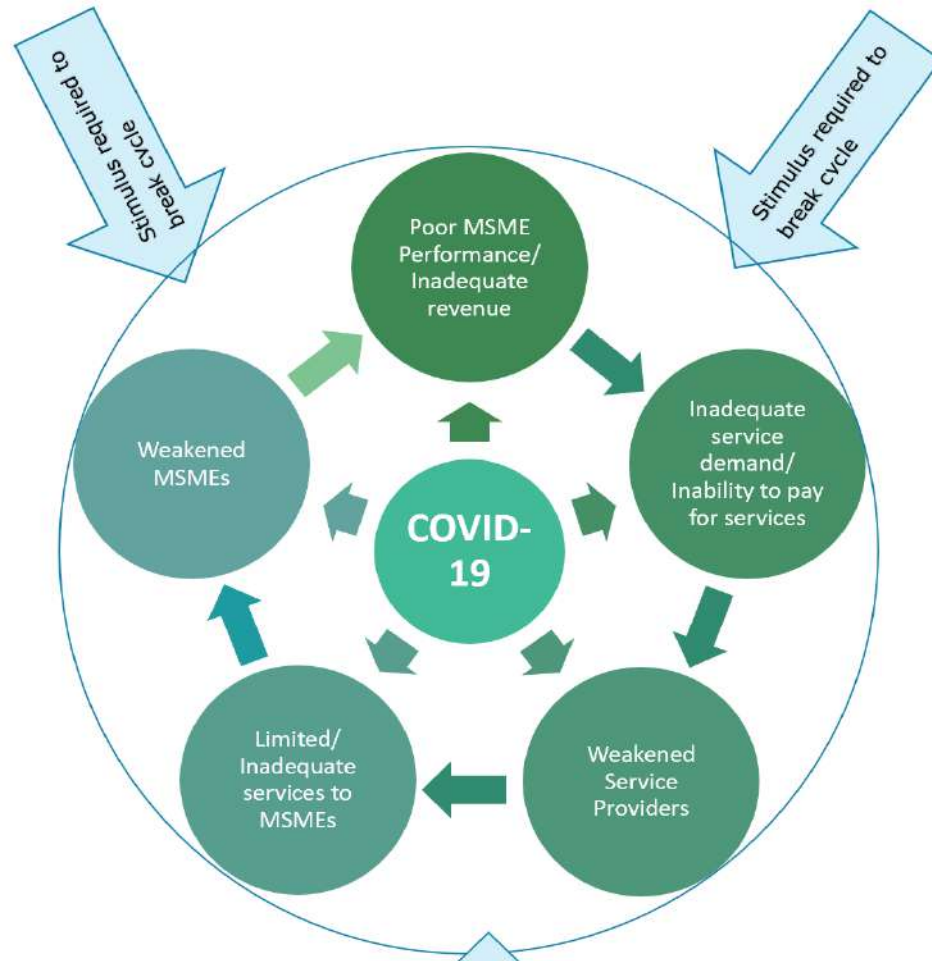
Communication Tool/Approach	Which tools would you like to use in your service provision to MSMEs during and after the COVID-19 crisis?	Which of these tools have you used in the past?	Gap
Social media	75%	64%	11%
Video conferences and webinars	56%	30%	26%
Interactive radio programmes	53%	41%	12%
Online learning platforms	45%	25%	20%
Distribute written material through email (e.g. manuals, assignments)	45%	53%	8%
Call-centres/Hot lines to offer support through phone	42%	23%	19%
Videos	30%	9%	21%
YouTube	28%	11%	17%
Blogs and discussion forums on a website	25%	9%	16%
Podcasts	13%	2%	11%

# Service Continuity - Challenges



- How suitable are these tools/ approaches for providing certain types of services?*
- How adept are service providers to appropriately use these tools?*

# Bringing it all Together





The background of the slide is a microscopic view of several coronavirus particles. These particles are spherical with a greenish-yellow core and are covered in numerous red, spike-like protrusions. They are scattered across the frame against a dark blue background with some lighter blue bokeh effects.

# Additional Support Needed

# Additional Support Needed

## Industry Associations

- ❑ Support to organize online/distance Learning
- ❑ Support in developing online resources.
- ❑ Technical support to train members on digital business options
- ❑ Technical Assistance to conduct R&D, Product Development
- ❑ Funding in a form of grant
- ❑ Financial support for members

## NGOs & Others

- ❑ Training on using digital platforms
- ❑ Support for our partners to enable them transition to online work.
- ❑ Training of staff and supervisors on how to work effectively from home.
- ❑ Funding in a form of grant
- ❑ Support to meet capital expenditure needed to support online work and work from home.

# Policy Recommendations

## STATUTORY PAYMENTS

- Suspend penalties on late filing of SSNIT and PAYE returns

## FINANCIAL AID

- Provision of grants and concessionary loans
- Reduce interest rates

## SUBSIDIES

- Reduction in data charges
  - Reduction of utility bills
  - Partial payments of staff salaries

## TAXES

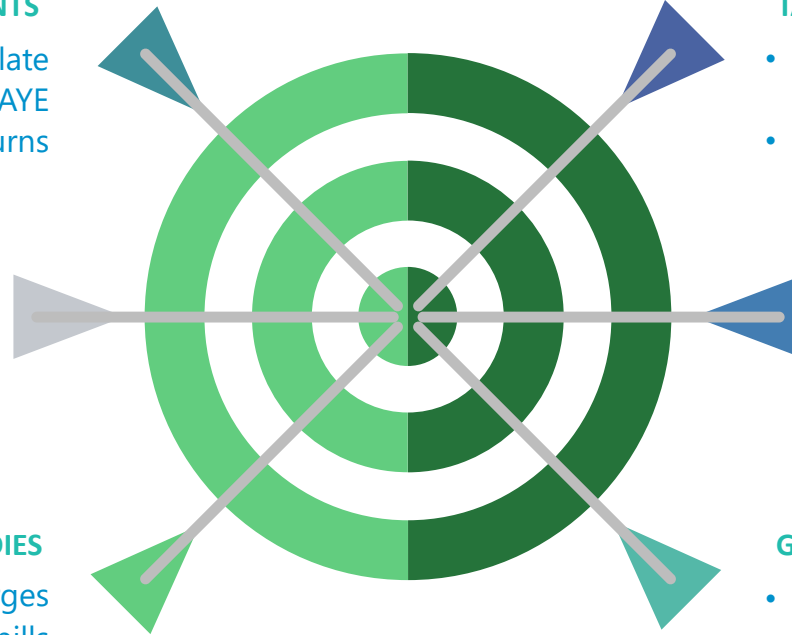
- Tax breaks for businesses
- Suspend penalties on late tax returns

## RENTS

- Enforce rent laws/regulations
- Work with property owners to suspend rent payment

## GOVERNANCE

- Transforming NBSSI into an authority to take full control of issues pertaining to MSMEs' development



# Implications and GrEEn Project Response

- ❑ Support to SMEs to integrate resilience into business planning
- ❑ Collaborating with public and private sector to develop content for online training
- ❑ Coaching and mentoring services
- ❑ Business Plan Competition and Challenge Fund for green businesses
- ❑ Green and Market-place web-based platforms
- ❑ Exploring the possibility of virtual job fairs

# Questions

- ❑ What services can be digitized? How suitable are these tools/ approaches for providing different types of services? How adept are service providers to appropriately use these tools? How do we ensure that some SMEs are not excluded?
- ❑ What capacity support do service providers require for continued service provision?
- ❑ How can industry associations continue to provide services to their members during this period of the pandemic?
- ❑ What kinds of system level changes should be introduced to improve the ecosystem for service provision?

# Upcoming Webinars

1. Agricultural Sector Market Scan
  - Thursday, 2<sup>nd</sup> July, 2020
2. WASH Sector Market Scan
  - Thursday, 9<sup>th</sup> July, 2020



Agriculture 

Join the  
**GrEEn Webinar series**

No.3: Presentation and Validation of Findings from the 2020 Agriculture Market Scan

📅 Thurs, 2 July 2020 🕒 11:00AM - 12:30PM GMT

 **Register here:** <https://bit.ly/greenagricwebinar>

☎ +233 20 876 4990 / +233 59 605 1434 ✉ [greenghana@snv.org](mailto:greenghana@snv.org)

Find out more about the GrEEn project here: <https://bit.ly/SNV-GrEEn>

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## COVID-19 Essentials

### Symptoms



High fever



Cough



Sore throat



Head ache

### Contagion



Air by cough or sneeze



Personal contact



Contaminated objects



Animal contact

### Prevention



Wash your hands often



Wear a face mask



Avoid contact with sick people



Always cover your cough or sneeze