



21st century belongs to SMEs, says Seetharaman

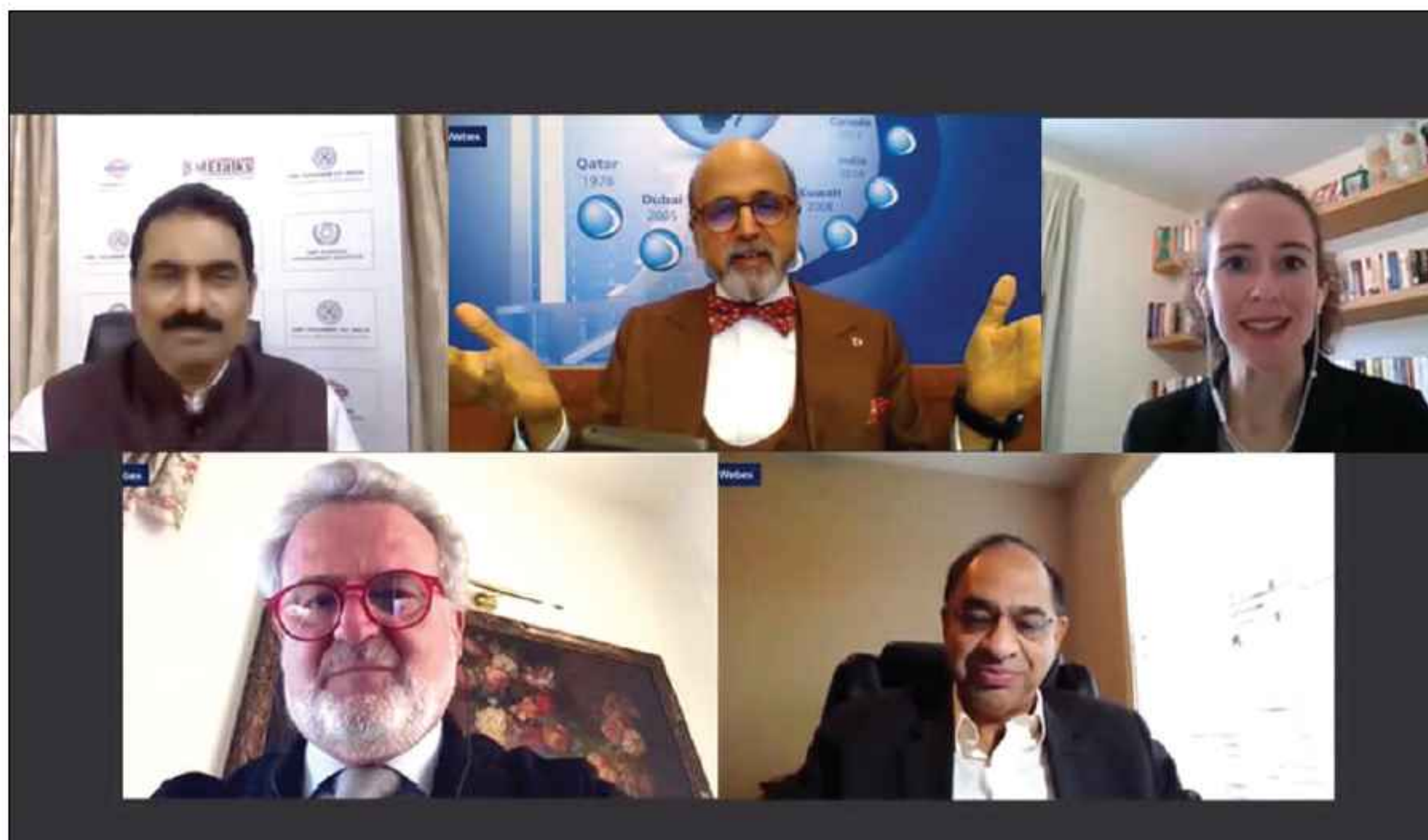
Doha Bank CEO Dr R Seetharaman recently participated in the Global SME Economic Summit webinar, which was jointly organised by SME Chamber of India and World SME Trade Centre under the theme "Strategies to Transform SMEs to Revive and Survive".

Giving insight on global SMEs, he said, "As a central pillar in the world economy, small and medium-sized enterprises (SMEs) play a critical role in innovation, advancement and sustainable development worldwide. They are both the most dynamic and the most vulnerable constituent in the global economy. The 21st century belongs to the SMEs."

"The SMEs promised to combine economic efficiency and low import intensity with good job creation and positive effects on exports and income distribution. Small business has led the US out of every recession after the Great Depression. SME is the foundation of Japanese Industry."

Highlighting the developments in global SME sector due to Covid-19, Seetharaman said, "In Japan, government came up with safety net loan and loan for crisis to support SMEs during Covid-19. 80% of UK SMEs confident they will recover from Covid-19. Again in UK, two-thirds of the business owners questioned believe they will return to pre-Covid levels or better by 2021."

"In Australia, unproductive



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debt will be left on SME balance sheets when the pandemic clears, demanding careful management to avoid it dragging on the economic recovery. In India, the pandemic has brought the SMEs a great opportunity to reformulate their business strategy as per the new normal and they further believed that the current scenario brings long-term opportunity for them. Doha Bank has entered into an agreement with a chamber of

the SMEs in Maharashtra, India."

On the developments in Qatar SME sector, he said, "Of the 25,000 private sector businesses currently registered in the country, more than 96% are classified as SMEs. Local firms could provide up to 90% of supplies for state projects in the coming years, with the authorities looking to improve the capacity and diversification of services offered by SMEs. Qatar Development

Bank (QDB) had promoted SMEs in Qatar through the launch of 'Al-Dhameen' credit guarantee programme. Doha Bank has been offering both 'Al Dhammen' and 'Tatweer' for its SMEs."

"The Tatweer product of Doha Bank mainly provides funded and non-funded facilities to its SME customers. The Qatar Venture market is available for listing SMEs. The Qatar Business Incubation Centre and Qatar Sport-

stech Accelerator also provide necessary facilities to the SMEs. The SME businesses are greatly helping Qatar's diversification story by playing an active role in the vast infrastructure development taking place in Qatar."

Speaking on Qatar SMEs during Covid-19, Seetharaman said, "The challenges faced by SME sector due to Covid-19 include substantial reduction in business, supply chain disruption, liquidity issues due to loss of revenue, demand depression due to low level of economic activity, business continuity and accessing emergency support."

"During Covid-19, Doha Bank partnered with QDB for National Response Guarantee Programme (NRGP) announced by State of Qatar. Guarantee is for eligible sectors operating in private sector. Doha Bank provided liquidity support, deferment of term loan instalments, receivable financing and invoice discounting to SMEs."

Seetharaman highlighted the steps, which can be taken by SMEs. He said, "SMEs should assess the financial damage, relook at business plans, reactivating business linkages, funding plans, revamping of budgets and supplier relationships, timeline for rebuilding and a contingency plan for next crisis. The strategies for better business growth include exploring new revenue streams, cost reduction and leveraging on technology."