

SMEs greatly helping diversification in Qatar: Top banker

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Small and medium-sized enterprises (SMEs) are greatly helping Qatar's diversification story by playing an active role in the vast infrastructure development taking place in the country, Doha Bank CEO Dr. R. Seetharaman has said at the Global SME Economic Summit webinar which was organised by the World SME Trade Centre and SME Chamber of India recently.

The online summit which was held under the theme 'Strategies to transform SMEs to revive and survive', was attended by global business leaders.

Seetharaman, who participated at the event, highlighted the developments in Qatar's SME sector. He said more than 96 percent of the 25,000 private sector businesses currently registered in the country are classified as SMEs.

"Local firms could provide up to 90 percent 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 also been offering both Al Dhameen and Tatweer programmes for the 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 SportsTech Accelerator also provide the necessary facilities to the SMEs," he added.

Seetharaman also provided an insight on Qatar SMEs during



Doha Bank CEO Dr. R Seetharaman participating at the online summit recently.

the COVID-19 pandemic during the event. He 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 the QDB for National Response Guarantee Program (NRGP) which was announced by the State of Qatar. Guarantee is for eligible sectors operating in the private sector. Doha Bank provided liquidity support, deferment of term loan installments, receivable financing and invoice discounting to SMEs."

Speaking about the steps which can be taken by SMEs to recover from the pandemic, he said: "SMEs should assess the financial damage, relook at business plans and reactivate business linkages, funding plans, and revamping of budgets and supplier relationships, timeline for rebuilding and establish a contingency plan for the next

crisis. The strategies for better business growth include exploring new revenue streams, cost reduction and leveraging on technology. Entrepreneurs who had experience of global financial crisis would have handled COVID-19 better due to experience. They can focus on SME's resilience during challenging times. SMEs can step based on benefits from FTA and also understand the challenges. Fintech SMEs can also get investment support, financing facilities or mentor facilities from financial institutions," he added.

During the webinar, Seetharaman who also spoke about the development in the global SME sector during the pandemic, reiterated that small business have led the US out of every recession after the Great Depression, and added that SMEs are the foundation of the Japanese industry.

"About 80 percent of UK SMEs are confident they will recover from COVID-19. Also, two thirds of the UK businesses believe they will return to pre-COVID levels or better by 2021.

In Australia unproductive 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 also entered into an agreement with the Chamber of the SMEs in Maharashtra, India," he added.

Other speakers during the event include the President of the World Manufacturing Foundation from Italy, Dr. Alberto Ribolla, Secretary General of the International Chamber of Commerce (ICC) from France, John W.H. Denton Ao, Founder and President of the SME Chamber of India and World SME Trade Centre, Chandrakant Salunkhe, and CEO and Chairman of the SME Development Centre and President of Sigma Electric Manufacturing Corporation India & USA, Viren Joshi.