DBJamaica to ‘IGNITE’ MSMEs

The Development Bank of Jamaica’s (DBJ) two-year pilot programme, the Innovation Grant from New Ideas to Entrepreneurship (IGNITE) was established to support operators of micro, small and medium-sized enterprises (MSMEs) in the creation and growth of new innovative products and services from prototype to commercialization.

Under IGNITE, a grant of up to US$40K or 70% of the project cost will be provided to each beneficiary for implementing innovation activities that support the creation and growth of new firms. The grant funds being offered by the DBJ will be channelled through ‘Business Service Intermediaries’ which will assist the entrepreneur to develop and present their proposals to the DBJ and assist in the monitoring of the objectives agreed with each recipient.

It is expected that a total of 30 MSMEs will be selected with ventures which include software and IT projects; creative projects such as films, video games, fashion design using new materials or methods; the application of biotechnology to local agricultural production; knowledge-intensive business projects; and light-manufacturing using new materials, local materials and/or non-traditional methods.

DBJ will collect data to determine the impact of these ventures on the economy for the next five years. Indicators such as job creation, new investments and revenue growth in the new businesses will be tracked.

ECGA Oman provides SME pre-shipment financing

The guarantee issued by Oman’s Export Credit Guarantee Agency (SAOC) to banks fills the security gap needed by them for extending pre-shipment financing to the credit insured exporters. It has been designed for exporters to obtain timely and adequate credit facilities from banks at pre-shipment stage for purchasing of raw materials, manufacturing, processing and packing of goods to be exported, against contract for sales, i.e., irrevocable letter of credit or confirmed purchase order. Hence the scheme allows the credit insured exporters to obtain the necessary working capital financing from their banks in order to execute export orders abroad and avail more export business opportunities. This working capital financing of exports is highly useful for SMEs that lack necessary traditional collateral of their own which normally commercial banks demand from them. Thus, the guarantee issued by SAOC substitutes such collateral and provides opportunities for the exporters and SMEs to avail pre-shipment financing.

NDB, SDDA tie up to lend to local women entrepreneurs

Papua New Guinea’s National Development Bank (NDB) and the District Development Authority (SDDA) of Sohe District in the Northern Province signed a Memorandum of Agreement (MOA) relating to the Sohe District Women in Business Credit Scheme (SDWIBCS). The credit scheme will allow women folks in the district particularly those in the rural areas to participate in small scale commercial and agricultural activities whilst at the same time enable them to play a more active role in the economic development of the district. The MOA was signed recently at the NDB Head Office in Waigani by the Chairlady of SDWIBCS and Member for Sohe Open Electorate, Hon. Delilah Gore and NDB’s Managing Director, Moses Liu.

IIB, Capital Bank sign loan agreement for SME development

International Investment Bank (IIB) signed a EUR 5 Million loan agreement with the Capital Bank (Mongolia). The facility will be used for development of small and medium-sized enterprises in Mongolia. The Banks continued their cooperation, which started in October 2013, when they signed the first loan agreement to support the SME sector. The loan has become the eighth one, disbursed by the IIB in Mongolia over the last three years, and total amount of the Bank’s investments in economy of this member state exceeds EUR 70 million.

The signed loan agreement falls in line with IIB’s plans on further expanding its operations in its Asian countries, focused on support of small and medium-sized businesses.

DBP extends loan to women entrepreneurs

The Development Bank of the Philippines (DBP) has granted a Php5 million credit facility to Earth Life Store Supply, Inc. (ECHO Store), a corporation run by a team of women who call themselves “Power of Three Women”. The credit facility shall be used to partly finance the company’s working capital to sustain its growing operations and the expansion needs of its branches. The ECHO store is the first of its kind in the country to position green products, specialty market segment. The store sells product that are environment-friendly, organic, and promote healthy lifestyle. Its product line includes gifts, fashion and décor items, body care products, biodegradable home cleaning solutions, beverages, and books.

please see con’t at the back...
12 secrets to holding more productive business meetings

Poorly managed meetings have been called the black holes of the work day and can weaken your company’s productivity. According to a worldwide study conducted by Microsoft Corp., business people spend nearly six hours a week in meetings and nearly 70% of the participants reported that their meetings were unproductive. Too many meetings, lack of preparation, no follow-up and employees zoning out because they’ve lost interest are among the typical problems. Badly managed meetings can also have a negative effect on employee morale and teamwork. If people routinely arrive late for your meetings, stare at their smartphones and aren’t taking notes, your company has some improvements to make.

Here are some best practices for brushing up on your company’s meeting culture.

- Reduce the number of meetings by finding other ways to address business. If it’s simply information-sharing or reviewing project status, for example, consider email or other written communications. Your employees will be grateful and use the time more productively.
- If you’re undecided whether or not you need a meeting, ask yourself: Do I need the participants brief summaries of topics while you talk, they’re probably not listening. Have you prepared an agenda in advance so that participants can be fully prepared. Be sure it’s action-oriented. If participants aren’t essential to achieving a goal, they shouldn’t be there. You can allot specific times for each topic to keep the meeting on track and request that somebody take notes.
- If you find you’re attending too many meetings, check with the organizer first to see if your presence is necessary. Maybe you can assign somebody else on your team to attend.
- In today’s demanding business environment, last-minute meetings are sometimes necessary, but they should be an exception and not the rule. Don’t hold meetings outside of normal business hours unless it’s an emergency.
- If you hold a meeting to solve a problem, start with a brainstorming session first to stimulate creativity; write ideas somewhere visible in the room and don’t censor employee input. Once everybody has had a chance to express their point of view, you and your team can decide which ideas work best.
- Keep the atmosphere positive. Don’t criticize colleagues at meetings. If participants become angry or highly critical, politely call them to order.
- To keep your meetings shorter, give the participants brief summaries of topics and avoid handing out lengthy documents. If people are flipping through a PowerPoint while you talk, they’re probably not listening.
- To deter overly vocal participants from dominating a meeting, be sure that everyone has an opportunity to speak with a suggested time limit.
- If you reach a stalemate on a contentious issue, know when to move on. Don’t linger on issues because you can’t reach a consensus. Come back to it at a later date.
- Close with a plan of action. Ensure that everyone leaves knowing what is expected of them.

Source: http://www.bdc.ca

7 tips for building your cash flow

When business conditions are tough, it’s essential to stay on top of your company’s finances and boost your cash generation. Here are seven ways to find more cash in your business:

- Develop a cash-flow planner and track cash throughout the month. Using a software tool or a spreadsheet, record your month-opening bank account balance and all anticipated cash inflows and outflows. This kind of budget allows you to assess your situation, examine risks and plan for problems, such as the loss of a key customer. Then, track your cash as it comes in and goes out throughout the month. That will help you stay on top of problems and make adjustments, such as delaying discretionary payments.
- Closely monitor financial statements. Examine monthly financial statements line by line to look for red flags. Keep a close eye on key indicators of your business’s health, such as changes in the gross margin and inventory turnover.
- Look to relationships with your customers and suppliers. Good customer and supplier relationships can help you wring more cash out of your business. For example, you can turn sales into dollars faster by offering discounts to customers who pay early. Suppliers can help by extending payment terms. However, it takes two to tango. Work on improving customer service and make sure to pay suppliers consistently.
- Get tough with deadbeats. This is no time to play Mr. or Ms. Nice Guy when it comes to collections. Entrepreneurs need to be conscientious in pursuing late bills. Customers have to pay or else you’re just financing their business.
- Focus on inventory management and product offerings. If sales are down and inventory turnover is slowing, you have to be aggressive in clearing out stock. While you’re at it, analyze your product lines to see what’s selling and what’s just taking up space. Look to your sales force to help you reduce your inventory and weed out unprofitable product lines.
- Use debt to protect your working capital. It’s important to avoid paying up front for long-term investments, such as equipment purchases or a building expansion; that will just tie up working capital. You’re better off using debt to finance these projects. Also, consider refinancing fixed assets to free up capital.
- Cut waste and streamline operations. Boost your company’s productivity and profitability by eliminating bottlenecks, overproduction, inefficient equipment and other sources of waste. Employees are your best source of ideas, so get them involved.


SMEToolbox is a quarterly publication of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). It features ideas, news, and tips for small and medium enterprises (SMEs). Copyright 2015, ADFIAP