ECGA of Oman supports SMEs

The Export Credit Guarantee Agency of Oman (ECGA) recently launched the “Agriculture and Fisheries Financing Program” (AFFP) to its microfinance institution (MFI) partners. The AFFP will initially cover the top 20 poorest provinces in the Philippines with complete registry of farmers and fisherfolks under the Registry System for Basic Sectors in Agriculture (RSBSA), an electronic compilation of basic information on farmers, farm laborers, and fishermen that provides manageable access to baseline agricultural information. Under the program, PCFC will utilize the P450M fund from ACPC to increase access of the small farming and fishing (SFF) households to affordable agri-microfinance loans to be provided by the accredited MFIs in target provinces. PCFC President & CEO Edgar V. Generoso informed the participants that target clients outside the priority areas will still be served by PCFC through its other available fund for lending to SFF nationwide. For capacity-building needs, the MFIs may avail of the grant funding through the People’s Development Trust Fund (PDTF) or the institutional loan window being offered by PCFC. In a country where an estimated 90% of the poor rely on agriculture, the AFFP serves as a tool of the current government in its continuing poverty alleviation programs.

KDB vows to support SMEs

Korean Development Bank CEO Hong Ky-tack has vowed to strengthen the lender’s support of small and medium enterprises (SMEs) with advance policy financing. Mr. Ky-tack said, during a Business Leaders Forum in Seoul, that SMEs should be the main players of the government’s creativity-based economic paradigm. He added that KDB will lead in the advanced policy financing sector to support SMEs in a timely manner when they need help. As part of its program for SMEs, the KDB said in June 2013 that it would give 3 trillion won in policy loan to businesses seeking to tap into uncharted areas. Of the 3 trillion won, the bank loaned 692.1 billion won to the SMEs in the IT sector. KDB is also helping SMEs trade intellectual property and get help from colleges and institutes through its unique service called “Techno Banking” introduced in September 2013. The service is designed to facilitate trades of high-quality technology between firms, so they can get funding easily and boost technology exchanges.

DBP, PSE sign deal to spur SME listing

Government-run Development Bank of the Philippines (DBP) has signed an agreement with the Philippine Stock Exchange, Inc. (PSE) to spur the listing of small and medium enterprises (SMEs) in the local bourse. Under the agreement, DBP and PSE will come up with a framework for cooperation and coordination in the area of capital market development, particularly in raising capital.
JFC Micro supports SMEs via SLBC

The Japan Finance Corporation Micro Business and Individual Unit (JDF-Micro) has new support program for Japanese SMEs—Standby Letter of Credit (SLBC) program. An SLBC is a Letter of Credit issues for guarantee purposes. JFC issues SBLCS for affiliated overseas financial institutions in order to assist overseas branches and associated firms of Japanese SMEs, (i.e., SMEs’ overseas subsidiaries) to obtain funds in local currencies from overseas financial institutions smoothly. This program has many advantages for overseas SMEs’ subsidiaries. For example, they can avoid the risk of exchange fluctuations and improve the financial standing of their parent companies in Japan, etc. JFC Micro supports the overseas expansion of Japanese SMEs through this program.

JBIC strengthens overseas expansion of Japanese SMEs

The Japan Bank for International Cooperation (JBIC), through its Governor, Mr. Hiroshi Watanabe, signed three contract loan agreements (CLAs) based on the General Agreement JBIC had signed with the Bank of Yokohama, Ltd. for supporting overseas business deployment of mid-tier enterprises and small and medium-sized enterprises (SMEs). These CLAs will respectively fund the manufacturing and sales of automobile parts by Thai KJK Co. Ltd., a Thailand subsidiary of Kawasaki Automotive Industry Co., Ltd.; the manufacturing and sales of automobile parts in China by an automobile parts manufacturer in Kanagawa; and the manufacturing and sales of electronic equipment in Thailand by an electronic parts manufacturer in Tokyo. These CLAs will support overseas business deployment of Japanese SMEs with speedy and flexible provision of long-term foreign currency funds necessary for their business expansion in developing countries by way of a private financial institution. These individual CLAs will thereby contribute to maintaining and strengthening the international competitiveness of Japanese industries. As Japan’s policy-based financial institution, JBIC will continue to support overseas business deployment of Japanese companies, including SMEs, by collaborating with domestic private financial institutions for maintaining and improving the international competitiveness of Japanese industries.

How to recover when disaster strikes your business

Entrepreneurs often face a difficult road to recovery when disaster strikes, whether it’s a fire at your business or a large-scale event such as floods. Depending on the severity of the disaster, your business might grind to a complete halt. Your suppliers could be unable to deliver and your customers unable to purchase your goods or services. Here are some critical steps you can take to ensure your business survives and recovers as quickly as possible:

Reach out to one or more key employees to help you deal with priority items, including communicating with staff and handling customer service issues. Choose people with a calm demeanor who can help you and others cope with a stressful situation.

Contact your employees and provide as much information as possible about where your company stands. If you can’t get into your premises, you’ll need to find a location where you can meet.

Provide a safe work environment. Hire experts to inspect your premises for hazards.

Make your employees’ lives easier by providing flexible work schedules and ample time to take care of personal challenges.

If your business has been directly hit, take photos and keep records of damaged items. If you have an inventory of assets, extend their terms, if necessary, to maintain your cash flow. Contact your insurer as soon as possible to begin the process of claiming for damages. Delays in filing your claim could result in late insurance payouts and hurt your cash flow.

Find out if you are eligible for disaster relief from municipal, provincial or national governments. Look for local media coverage or notices about possible financial relief.

Work with your bank to ease the load. For example, your banker may offer you flexible loan repayment terms during your recovery.

Contact suppliers and ask them to extend their terms, if necessary, to maintain cash flow in your business.

Once you’ve got your business under control, do what you can to help out in your own community. Encourage your employees to volunteer.

Source: IN BUSINESS, Business Development Bank of Canada Newsletter

"Innovation is the specific instrument of entrepreneurship. The act that endows resources with a new capacity to create wealth."

--Peter Drucker