

DBJamaica implements voucher for technical assistance program



The Development Bank of Jamaica (DBJ) implemented a capacity-building programme to provide additional technical assistance to Small and Medium-sized Enterprises (SME). Dubbed 'Voucher for Technical Assistance (VTA)', the programme begun in May as a one-year, \$15-million pilot project with plans for its expansion. Under the programme, small and medium-sized enterprises which operate in selected sectors will receive vouchers in various denominations to be used to access a variety of services provided by business development organisations (BDO). In explaining the need for the VTA, the DBJ's Managing Director, Mr. Milverton Reynolds, said that it has been the perennial experience of the Bank and its Approved Financial Institutions (AFI), the network of partners

through which the DBJ provides loans for development purposes, that SMEs have significant structural problems which have made it difficult for them to access financing. Outlining how the system will work, Mrs. Claudine Tracey, the DBJ's General Manager for Strategic Services, said that the vouchers will have values of up to \$300,000 or 70% of the cost of the service, whichever is lower. They can be used for financial management, mentoring and coaching, business process improvement, and to prepare business plans, financial statements, strategic plans and marketing plans; and are redeemable at BDOs which provide these services. Mr. Reynolds said that the VTA is the latest response by the DBJ to the provision of credit to SME and joins other services such as concessionary financing and the Credit Enhancement Facility under the Bank's holistic approach to support the small and medium-sized enterprises sector and set them on the path of sustainability. He said that the DBJ planned to hold a series of workshops in towns across the island during the year to explain to SME how the voucher system works and how the sector can access additional support from the Bank.

BIM finances SME projects



The Bank of Industry & Mine (BIM) is providing all out support to finance Small and Medium Enterprises (SMEs). This is manifested in the multi-million dollar SME projects financed by the Bank. These projects included the "Vahdat Sabz Kordestan" (production of pressed bricks for building construction) US\$308,000, with 13 employees; "Sisakhat Chevill Cheshmeh" (packing mineral water) US\$439,000, with 30 employee; "Mobtakeran Jahanasan" (produce nylon and plastic bags) US\$229,000 with 20 employees; "Behbood Maaden Pars" (produce Bentonit Powder and other micronized and super micronized powders) USD362,000 with 49 employees; "Sherkate Looleh Profiles Naghadeh" (produce different kind of steel carbonic pipe and cans) US\$804,000 with 18 employees; and "Sherkate Sahar Sanat Shargh" (produce different kind of dairy products) US\$804,000 with 20 employees.

BIM's "SME Development Projects" was winner of the ADFIAP Outstanding Development Project Awards 2014 under the SME Development category.

Exim India supports start-up technology business

The Export-Import Bank of India (Exim India) has been providing financial assistance to support budding entrepreneurs, most especially those involved in socially-relevant technologies which are still in their initial stages. For instance, Exim Bank has supported a start-up business working on a product called "Avaz", widely accepted as one of the leading solutions for assisted speech for children with disabilities. In addition, it also supported a start-up business designing solar-based energy efficient products adopting optical & electronic technology for creating affordable products for rural markets.



The Bank has taken up a holistic approach toward augmenting exports from SMEs, many of which are by way of financing start-ups that present good potential to grow and survive. This includes financing innovative business plans to encourage emergence of innovative businesses. The Bank's support has provided a strategic thrust to technopreneurs while helping it to cement its position as a pioneer DFI.

Exim Bank's "Financing Rural Technology Business Incubatees" was winner of the ADFIAP Outstanding Development Project Awards 2014 under the Technology Development Category.

5 practical tips for managing conflict in SMEs

Conflict between employees is one of the most common sources of trouble in the workplace and can lead to productivity losses, increased absenteeism and poor client service. Here are some tips to help entrepreneurs prevent conflict and manage it when it occurs.

Create clear job descriptions, processes and procedures. Your employees should know at any given time what they are supposed to be doing, what they are accountable for and who they are reporting to.

please see con't at the back...

JapanBIC, Indonesian leasing company to provide credit line for SMEs



The Japan Bank for International Cooperation (JBIC; Governor: Hiroshi Watanabe) signed a general agreement for setting up an investment credit line totaling

up to USD21 million (JBIC portion) with PT. SMFL Leasing Indonesia (SMFLIN), an Indonesian subsidiary of Sumitomo Mitsui Finance and Leasing Company, Limited (SMFL), for supporting overseas business deployment of Japanese mid-tier enterprises and small and medium-sized enterprises (SMEs). The credit line is cofinanced with private financial institutions, with the overall cofinancing amount reaching USD30 million. This credit line is set up to

provide lease financing, including for facilities, required by overseas subsidiaries of Japanese SMEs to conduct business in Indonesia and other countries. This is the second investment credit line following the one set up in May 2013. Amid this development, JBIC intends to support appropriately and in a timely manner, the overseas business deployment of these Japanese SMEs by extending mid and long-term funds in U.S. dollars to SMFLIN in collaboration with SMFL, which has a wide range of business relationships with Japanese SMEs. As Japan's policy-based financial institution, JBIC will continue to support overseas business deployment of Japanese companies, including SMEs, in growing markets such as Indonesia, by drawing on its various financial facilities and schemes for structuring projects, and performing its risk-assuming function.

DFCC Bank offers special loan scheme for self-employed

The Central Bank of Sri Lanka recently appointed DFCC Bank as one of the Participating Financial Institutions to offer loans under the Self Employment Promotion Initiative (SEPI). This scheme was introduced by the Central Bank with the intention of empowering and supporting the self-employed sector; a key driver of Sri Lanka's economic progress. Loans under this scheme will be offered to youth who have undergone professional training in a specific field and wish to establish their own businesses. The loans are provided at an attractive fixed interest rate of 9% per annum, with repayments within 4 years including a grace period of 8 months. Eligible candidates have the ability to borrow up to a maximum of Rs 500,000. Spe-



cifically, those eligible would be persons who have completed the National Vocational Qualification (NVQ) course conducted by the Registered Vocational Training Institution under the Tertiary and Vocational Education Commission (TVEC), the Vocational Training courses conducted by the Department of Technical Education and Training (DTET), National Apprentice and Industrial Training Authority (NAITA), Vocational Training Authority of Sri Lanka (VTASL), National Youth Services Council (NYSC) or the Ceylon German Technical Training Institute (CGTTI) or the Entrepreneurship Development Program conducted by identified training Institutions under the Ministry of Youth Affairs & Skill Development.

4 tips for SMEs to remember when negotiating

- **Share your most effective information.** Quickly determine what relevant piece of information can work in your favour.
- **Find out exactly what the other side wants.** "The faster you can get the other side to reveal its opening position," says negotiation expert Michael Sloopka, "the more effective you will be."
- **Keep emotions in check.** Strong changes in tone signal desperation, which immediately put you at the other person's mercy.
- **Go big or go home.** Ask for more than you expect, but make sure it's reasonable so the other side can see its plausibility.

Source: <https://www.americanexpress.com>

Nobody talks about entrepreneurship as survival, but that's exactly what it is and what nurtures creative thinking.

--Anita Roddick

con't, 5 practical tips...

Identify potential areas of conflict. In today's diverse workforce, it's common for small and medium-sized companies to accommodate employees with different backgrounds, cultures and beliefs. These differences contribute to a company's success, but can also be among the most common sources of conflict in the workplace. Take time to learn about those differences and make sure they are respected in your workplace. This will help you prevent cultural clashes and allow you to build a diverse staff.

Bring all parties to the table. When conflict occurs, take the time to sit down and discuss with all the parties involved to find the best ways to find a resolution and prevent the situation from reoccurring. Ask each person to describe his or her side of the story. This will help you find the origins of the dispute. It will also help release tension and allow people to gain a better understanding of the other party's point of view and actions

Don't let things fester. Don't be afraid to address situations head on. Conflict is often about strong, inflamed emotions. Great mediators listen to the emotions, but focus on the facts. Be fair and transparent when you give feedback and try to solve a conflict. Adopt a positive attitude to build common ground and trust between the parties and encourage them to put all their cards on the table. Understand the nature of the conflict and try to find a compromise, but make sure people are sincerely happy with the outcome. Look for win-win.

Promote an open culture based on trust, respect and collaboration. Don't confuse difference of opinion with conflict. Disagreement is inevitable and healthy for your organization. Creative forms of conflict and open debates are constructive. They help identify problems and stimulate innovation. It's your responsibility as a leader to encourage employees to share their ideas openly but act when conflict becomes destructive.

Source: *Business Development Bank of Canada*, www.bdc.ca

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 2014, ADFIAP.