









## I. INTRODUCTION

On January 30, 2020, the World Health Organization (WHO) declared the novel coronavirus to be a “public health emergency of international concern.”<sup>4</sup> With less than 8,000 global cases, most of which were in China, states took few precautions. Less than six weeks later, on March 11, 2020, the virus was categorized as a pandemic with more than 118,000 cases in 114 countries. In his remarks that day, the WHO Director General stated, “We have never before seen a pandemic sparked by a coronavirus... And we have never before seen a pandemic that can be controlled, at the same time.”<sup>5</sup> Four days later, the Dow Jones fell by nearly 3,000 points – the largest single-day drop ever recorded.<sup>6</sup>

The efforts to contain COVID-19 and the effects from these responses did not occur in a vacuum, but alongside already existing structural problems in the global economy and ongoing crises worldwide. According to the World Bank, most countries (nearly 93%) will experience an economic recession in 2020, “with per capita income contracting in the largest fraction of countries globally since 1870.”<sup>7</sup> This affects every region globally, both developed and developing economies, with the former expected to shrink by 7%.

Given the uncertainty of the pandemic, guidelines are constantly changing due to new information and research studies. This has caused rapid changes for interventions that employers, employees, and the general public need to constantly adjust to, presenting its own set of obstacles. However, businesses will need to continue adjusting to COVID-19, even when the pandemic declines. Mandatory spending is still recovering while discretionary spending is at a low. Furthermore, economies that reopened prior to the peak of the infection are resulting in an increase in mobility, but more discrepancy in terms of spending than areas that have opened later. The pandemic has resulted in shifts in demand for labor supply. Particularly, there is higher demand for workers and businesses adept in digital marketing and information technology skills. The pandemic has also caused huge disruptions to supply chains, which has forced many companies to refocus efforts on increasing supply chain resilience and diversification. The International Trade Center summarized the impact on businesses in four key phases:

1. **Shutdown Impacts:** government mandated mobility restrictions and requirements for certain businesses to temporarily close heavily effected SMEs in tourism, travel, wholesale and retail, hospitality and entertainment.
2. **Supply chain disruption:** closed borders and lockdowns have had a global, cascading effect on supply chains in production, imports, and exports. SMEs in supply-affected countries see less orders due to decreases in demand.
3. **Demand depression:** containment measures and low economic activity have resulted in a decline in sales to consumers and businesses. Even when health restrictions begin to subside, there will be low business investment because of low savings and households will be likely to reduce spending due to lower incomes during the pandemic.
4. **Recovery phase:** restrictions ease, COVID-19 cases are reduced, and businesses begin to re-open.

This report contributes to the literature on the effects of COVID-19 on SMEs by focusing on businesses during the recovery phase of the first wave of the virus. In contrast to most studies published to date, which focus on the demand depression phase, this study is designed on data collected when over 90% of all SMEs in the sample reported being open. However, a second or third wave of the virus has the potential to restart this cycle of economic challenges.

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<sup>4</sup> WHO Timeline COVID-19. World Health Organization (WHO). April 2020. <https://www.who.int/news/item/27-04-2020-who-timeline---covid-19>

<sup>5</sup> WHO Director-General's opening remarks at the media briefing on COVID-19. World Health Organization (WHO). March 2020.

<https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020>

<sup>6</sup> Impact of the coronavirus pandemic on the global economy - Statistics & Facts. Statista. September 2020. <https://www.statista.com/topics/6139/covid-19-impact-on-the-global-economy/>

<sup>7</sup> The Global Economic Outlook During the COVID-19 Pandemic: A Changed World. World Bank. June 2020.

<https://www.worldbank.org/en/news/feature/2020/06/08/the-global-economic-outlook-during-the-covid-19-pandemic-a-changed-world>





































→If no, new subsector	MCQ (subsector list)
Address is confirmed?	MCQ (Yes/No)
→If no, new street address	text
→If no, new city	text
→If no, new region	text
Does the primary activity of the business you work for involve the production, transport, trading or selling of food products?	MCQ (Yes/No)
Does the primary activity of your business involve the production, transport, trading or selling of food products?	MCQ (Yes/No)
Section 4: Registration and Formality	
Is this business registered with all required government agencies/institutions?	MCQ (Yes, No, In Process, Does not know, refuse to respond, did not ask)
Can your business provide certified Balance Sheet statements?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
Can your business provide certified Profit & Loss statements?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
Section 5: Employment	
Note: The following questions about employees refer to the number of employees currently employed (i.e. still on the payroll) by the business	
How many managers are employed at your business at the end of last month?	number
How many of these managers are male?	number
How many of these managers are female?	number
How does your business primarily manage its finances?	MCQ (Owner manages all finances, Full time finance staff in house, Part time finance staff in house, Shared duty by non-finance staff, Outsource to company or consultant, Other, Did not ask, refuse to respond, does not know).
If other, how does your business primarily manage its finances?	text
Do you have a dedicated human resource (HR) manager?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
At the end of last month, how many full-time employees worked at this business? (works the average working week, for the average number of hours). Do NOT include the number of owners or managers.	number
How many of these employees are male?	number
How many of these employees are female?	number
How many part-time or employees did this business employ throughout last month? (works a limited # of hours per day, or a limited # of days per month). Do NOT include the number of owners and managers.	number
How many of these part time employees are male?	number
How many of these part time employees are female?	number
How many of your total staff (full- and part-time) DO NOT hold local citizenship?	number
How many of your total staff (full- and part-time) hold local citizenship?	number
In the last 30 days, how many of your workers experienced any of the following as a result of the coronavirus/covid-19 outbreak and related restrictions?	
Temporary layoff/suspension of work (without pay) - Enter the number of workers affected. Enter 0 if none of your workers were affected.	number
Permanent layoff/suspension of work (without pay) - Enter the number of workers affected. Enter 0 if none of your workers were affected.	number
Reduction in earnings from this work or delays in wage payment - Enter the number of workers affected. Enter 0 if none of your workers were affected.	number

How many paid employees did your business have at the end of February 2020? (both full-time and part-time, excluding yourself)	number
Of these employees, how many were male managers?	number
Of these employees, how many were female managers?	number
Of these employees, how many were male full time permanent employees?	number
Of these employees, how many were female full time permanent employees?	number
Of these employees, how many were male full time temporary employees?	number
Of these employees, how many were female full time temporary employees?	number
Of these employees, how many were expats?	number
Section 6: Clients	
Have you had an international client within the past six months?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
What is the name of your principal client? (largest buyer)	text
Is your principal client foreign or domestic?	MCQ (foreign, domestic, did not ask, does not know, refuse to respond)
What is your principal client's primary sector?	MCQ (sector list)
What goods or services were provided to this client?	text
When was the end of last contract with this client?	Date
What was the total value sold to this client within the last 6 months?	number
Types of Entities that Purchase Products	
Customers are Governments?	MCQ (Yes, No, Does not know)
Customers are Microenterprises?	MCQ (Yes, No, Does not know)
Customers are Individuals?	MCQ (Yes, No, Does not know)
Customers are NGOs?	MCQ (Yes, No, Does not know)
Customers are SMEs?	MCQ (Yes, No, Does not know)
Customers are Households?	MCQ (Yes, No, Does not know)
Customers Large Enterprises?	MCQ (Yes, No, Does not know)
Number of Entity Types Sold to	number
Types of Entities that Purchase Products OTHER	text
Since March 2020, would you say the number of clients has increased, decreased or stayed the same?	MCQ (Increased, decreased, stayed the same)
Typically, how long does it take for your business to pay its suppliers?	MCQ (within 30 days, within 60 days, within 90 days, Over 90 days)
Since March 2020, would you say this time has increased, decreased or stayed the same?	MCQ (increased, decreased, stayed the same)
What is your best-selling product/service right now?	text
Do you sell any products that respond to COVID-19 (personal protective equipment, sanitizers, etc).	MCQ (Yes, No, Does not know)
→If yes, please describe:	text
Section 7: Finance	
Has this business ever received a formal loan?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
→If yes, (for the most recent formal loan) from whom?	text
→If yes, (for the most recent formal loan) how much did you receive?	number

→If yes, when did you receive the loan?	date
→If yes, how did you spend the money?	MCQ (Build infrastructure, Buy service advertising etc, Cover normal operating costs, Expand geographically, Hire more staff, Pay other debt, Pre financing for contracts or projects, Purchase additional inventory or inputs, Update or repair equipment, Other, Does not know, refuse to respond, did not ask)
→If other, how did you spend the money?	text
Has the loan been completely repaid?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
If your business could get a loan from a bank, would you want one?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
→If interested in loan, or an additional loan, how much would you like to receive?	number
→What duration (months) would you want on your business loan?	number
→How would you spend the loan?	MCQ (Build infrastructure, Buy service advertising etc, Cover normal operating costs, Expand geographically, Hire more staff, Pay other debt, Pre financing for contracts or projects, Purchase additional inventory or inputs, Update or repair equipment, Other, Does not know, refuse to respond, did not ask)
→If other, how would you spend the loan?	text
Has your business ever borrowed money from family or friends?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
→How much did you borrow from family or friends for your business?	number
→Has your business ever borrowed money from informal lenders?	MCQ (Yes, No, Does not know, refuse to respond, did not ask)
→How much did you borrow from informal lenders for your business?	number
Section8: Turnover/profits	
What was your business's total turn-over (sales) for the last month?	number
→If no response, why was no answer given?	MCQ (Does not know, refuse to respond, did not ask)
What was your business's total turn-over (sales) for the last fiscal year?	number
→If no response, why was no answer given?	MCQ (Does not know, refuse to respond, did not ask)
What was your business's total profit last fiscal year?	number
Value of total assets at the end of the last fiscal year? (in local currency)	number
Total liabilities at the end of the last fiscal year? (in local currency)	number
Profit margin last fiscal year?	Number
Were your sales/revenue in the last 30 days higher or lower compared to your sales/revenue in the same period last year?	MCQ (Higher, Lower)
How much lower/higher? Answer the question in percent of increase or decrease. For example, if "there is a 30% decrease", enter 30.	Number
Do you expect your sales/revenue in the next 30 days compared to your sales/revenue in the same period last year to be higher or lower?	MCQ (Higher, Lower)
How much lower/higher? Answer the question in percent of increase or decrease. For example, if "there is a 30% decrease", enter 30.	number
Section 9: Expenditures	
Tell the interviewee: "I am now going to ask you 5 questions, which will need to add up to 100%. I will ask, in a typical year, what % of your business expenditures are spent on these 5 things: imported goods, locally sourced goods, local services, services from foreigners (non-citizens), and salaries. Please give me an estimated percentage for each, starting with imported goods."	
In a typical year, what % of your business expenditures do you spend on imported goods?	number





	shortages in markets, Unable to buy the amount of food we usually buy because the price of food was too high, Unable to buy the amount of food we usually buy because our household income has dropped, Had to reduce the number of meals and/or the portion of each meal we would usually eat)
Section 17: Effects of Covid-19	
In the last 30 days, has your business been facing any of the following challenges due to the coronavirus/COVID-19 outbreak and related restrictions? [select all that apply]	MCQ (Difficulties in accessing customers due to mobility restrictions imposed by government, Loss in demand due to other reasons (e.g., regular customers can no longer afford our products or services or have cancelled orders), Difficulties in accessing suppliers due to mobility restrictions imposed by government, Reduction in the availability and/or price increases for the main inputs, Difficulties with worker absenteeism arising from mobility restrictions imposed by the government, Difficulties with worker absenteeism arising from other reasons (e.g. workers being sick or not having childcare), Difficulties in securing access to finance (e.g. banks or MF institutions are closed or operate at restricted capacity), Difficulties tending to my business because I have to take care of a family member (e.g. children, sick relative, etc), Depreciation of productive capital due to inactivity, No particular challenge, things have proceeded as normal)
[If open] Under current conditions, for how much longer do you think you will be able to keep your business open?	MCQ (Less than 2 weeks, Between 2 and 4 weeks, Between 1 and 2 months, Between 2 and 6 months, More than 6 months, Don't know (uncertain))
Has your business adjusted its business model to reduce being directly in physical proximity with customers?	MCQ (Use of phone for marketing, placing order etc., Use of Internet, online social media, specialized apps or digital platforms, Switched product, Other, No Change)
If other, please explain	text
Has your business adjusted to the crisis in any other way?	MCQ (Related to demand: changed who we sell to, Production: started producing/selling new goods, Finance: applied to COVID related funds)
→If yes, Explain how	text
In the next six months, do you expect your company's profits to increase, decrease, or stay the same?	MCQ (Increase, decrease, stay the same, does not know, did not ask, refuse to respond)
In the next six months, do you expect the number of people your company employs to increase, decrease, or stay the same?	MCQ (Increase, decrease, stay the same, does not know, did not ask, refuse to respond)
[If COV2=5] In the next 6 months, how many of your workers do you expect will experience any of the following as a result of the coronavirus/covid-19 outbreak and related restrictions?	
Temporary layoff/suspension of work (without pay) - Enter the number of workers affected. Enter 0 if none of your workers were affected.	number
Permanent layoff/suspension of work (without pay) - Enter the number of workers affected. Enter 0 if none of your workers were affected.	number
Reduction in earnings from this work or delays in wage payment - Enter the number of workers affected. Enter 0 if none of your workers were affected.	number
Over 2020, do you expect your business' total sales to be higher or lower compared to 2019?	MCQ (higher, lower)
How much lower/higher? Answer the question in percent of increase or decrease. For example, if "there is a 30% decrease", enter 30.	number
Over 2020, do you expect your business' total investment to be higher or lower compared to 2019?	MCQ (higher, lower)









