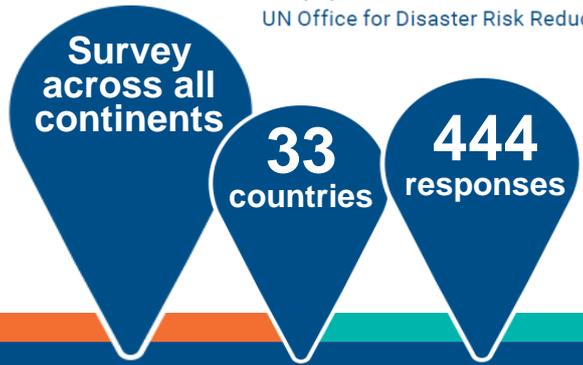


Building the resilience of SMEs

Best positioned to support their local communities to build resilience

UNDRR Global Survey carried out from November 2019 through March 2020¹



SMEs account for **99%** of all businesses and

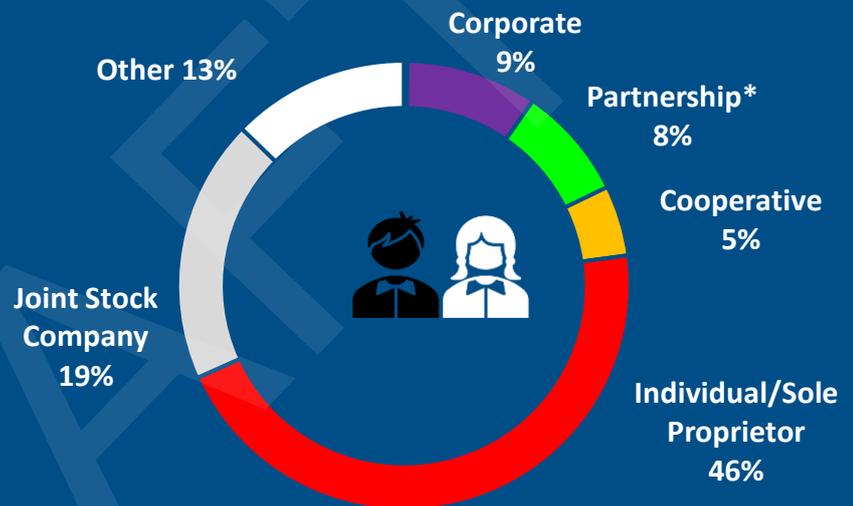
1 out of **3** people work in an SME²

55%

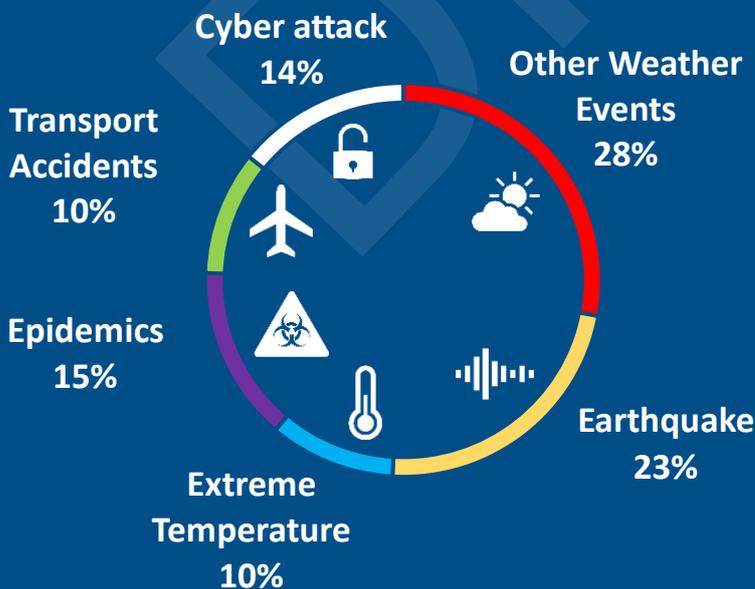
of companies are aware of tools that can be used to understand the risk

Building the resilience of SMEs worldwide

Global survey responders by category



Significant Risks Identified by SMEs



57%

of companies have a risk reduction strategy in place

61%

of companies carry out risk assessments prior to new investments

¹Partnership: an association of two or more persons to carry on as co-owners a business for profit

Global impacts of COVID-19 amplify urgency to build SME resilience

Global statistics:



½ of SMEs surveyed globally fear to be out of business within 3 months without further support³

Working-hours losses due to the COVID-19 pandemic in the 2nd quarter of 2020⁴



480m jobs lost globally

Structural policies to strengthen longer-term resilience of SMEs⁵



Only **15%** of the measures implemented by OECD countries²

32% of companies participate in initiatives that can protect them from disasters

Top cited bottlenecks that delay business recovery

Lack of regulatory framework for recovery initiatives



Uncertainty and lengthy bureaucratic procedures

Lack of financial resources

Top cited bottlenecks that prevent investing in SME Resilience

Lack of capacity and resources	34%
Lack of incentives	12%
Lack of awareness	16%
Difficulty identifying effective measures	14%

Critical Success factors that strengthen SME Resilience⁵

- Supporting and developing international and national policy frameworks that address the specific needs of SMEs
- Providing access to finance and financial products tailored to SMEs
- Combining Enterprise Risk Management and Business Continuity Management mechanisms to better incorporate and increase the focus on prevention
- Addressing interdependencies and inequities across value and supply chains

SENGAI FRAMEWORK
FOR DISASTER RISK REDUCTION 2015-2030

 **UNDRR**
UN Office for Disaster Risk Reduction

¹Out of 444 responses from 33 countries, 394 responses from 12 countries were utilized. Note that it is likely that respondents to the UNDRR 2020 survey are interested and engaged in risk prevention, or could be part of the ARISE, the Private Sector Alliance for Disaster Resilient Societies. This might have led to certain bias in response for the questions.

²OECD SME and Entrepreneurship Outlook 2019. Policy Highlights (statistic is across the OECD).

³OECD 2020.

⁴ILO Monitor 2020.

⁵Recommendations in UNDRR Guidance: Reducing Risk and Building Resilience of SMEs to Disasters, 2020

