Building the resilience of SMEs in the Philippines

Best positioned to support their local communities to build resilience

UNDRR Global Survey carried out from November 2019 through March 2020

SMEs comprise more than 90% of all businesses in most Asia-Pacific countries

50% of companies in the Philippines are aware of tools that can be used to understand the risk

Building the resilience of SMEs
Survey responders (PHL) by category

- Corporate 11%
- Cooperative 11%
- Individual/Sole Proprietor 72%
- Other 6%

55% of companies in the Philippines have a risk reduction strategy in place

56% of companies in the Philippines carry out risk assessments prior to new investments

Significant Risks Identified by SMEs Responses in the Philippines

Other (E.g. typhoons, Taal volcano eruption, brownouts, power outages, climate change impacts on banana production, shortage of raw materials, politics)

*Other: E.g. typhoons, Taal volcano eruption, brownouts, power outages, climate change impacts on banana production, shortage of raw materials, politics
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 support.

Top cited bottlenecks that delay business recovery (PHL)

- Lack of regulatory framework for recovery initiatives: 34%
- Uncertainty and lengthy bureaucratic procedures: 29%
- Lack of financial resources: 72%

Top cited bottlenecks that prevent investing in SME Resilience (PHL)

- Lack of capacity and resources: 39%
- Lack of awareness of risks and potential impacts on business: 18%
- Difficulty identifying effective measures: 18%
- Not considered an immediate priority: 13%

Critical Success factors that strengthen SME Resilience:

- 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

Sendai Framework for Disaster Risk Reduction 2015-2030

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.


3ILO Monitor 2020.

4OECD 2020.

5UNDRR estimate.