



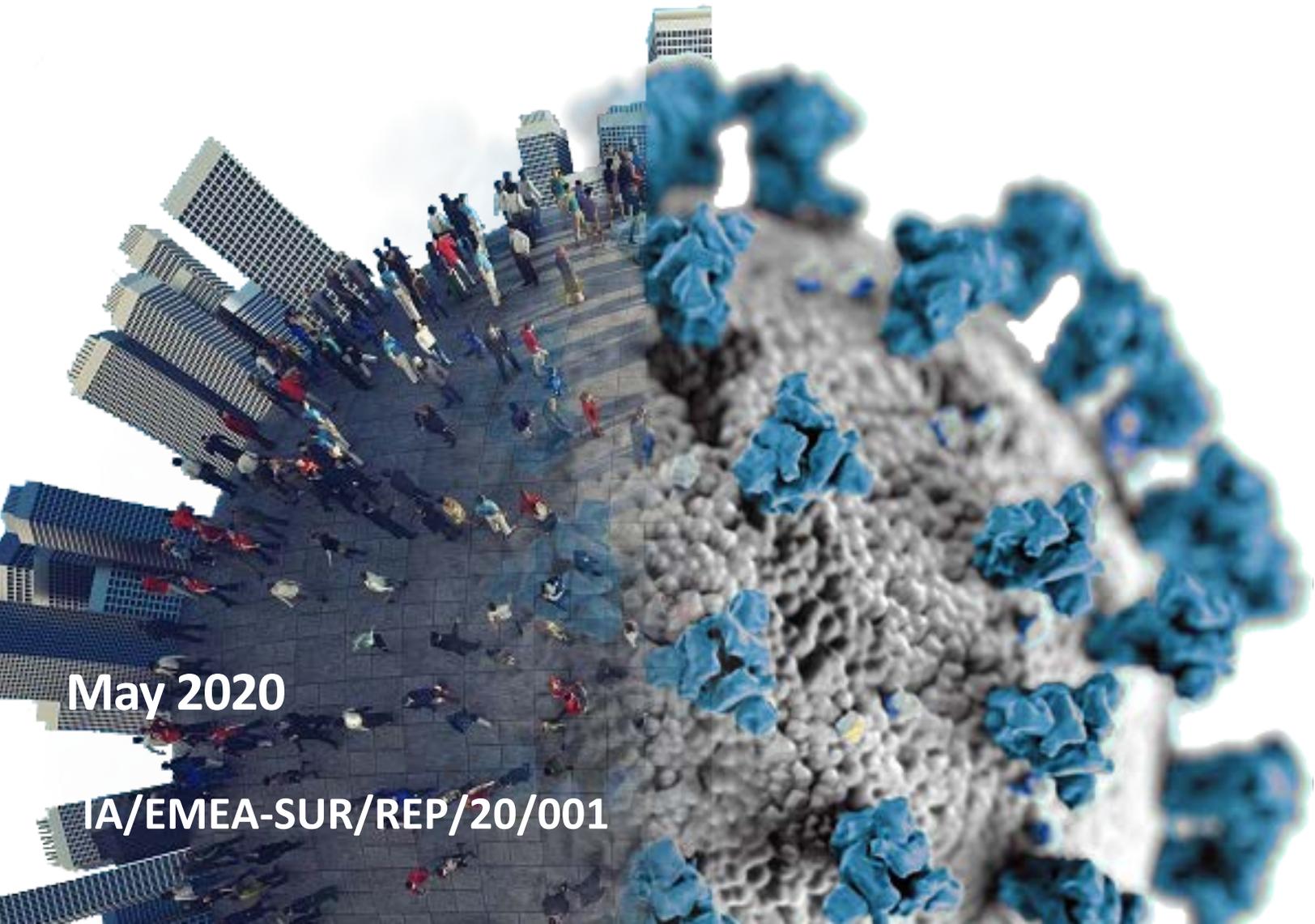
Initiative Africa

Perception Survey

**Impact of Covid-19 on Ethiopian Business
Membership Organizations**

May 2020

IA/EMEA-SUR/REP/20/001



IA's rapid situation assessment of BMOs

A survey was conducted by IA to establish a baseline to develop effective strategies and work plan for maximising the IGF in the Empowering Marginal Economic Actors through Policy Reform from the Bottom-up[EMEA] program. The answers of the interviewees will facilitate the design and implementation of the IGF, one of four pillars of the Empowering Marginal Economic Actors through Policy Reform from the Bottom-up project. Due to the Covid-19 crisis, the survey will, not only help establish the current status and management systems of Business Membership Organizations[BMOs] and chambers of commerce, but will also assess the impact of the pandemic on businesses. It's expected that the results of the survey will assist in developing a strong monitoring and evaluation framework to measure, audit and review the project's performance and outcomes.

The survey was conducted from April 27 – May 11, 2020. More than 69 active BMOs and Chambers of commerce leaders responded to the IA survey. The findings highlight the profound impact of the current pandemic on BMOs and chambers of commerce the leading voices of business in Africa.

Major insights

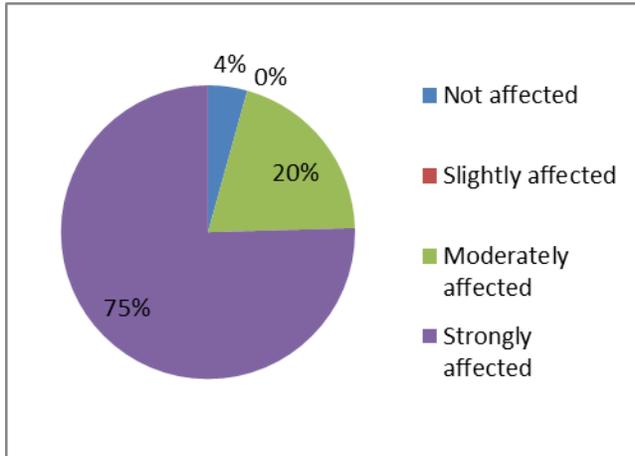
- The IA survey indicates that most of chambers of commerce and BMOs will be at great risk of temporarily (or even permanently) closing if the crisis lingers.
- The biggest concerns for BMOs and chambers of commerce is a lack resources to prepare their members to take advantage of government support programs.
- BMOs and Chambers of commerce around the world are slow in taking action to provide leadership and help member businesses deal with the challenges created by the COVID-19 outbreak.
- The survey indicates that to combat the pandemic, BMOs and chambers of commerce need to re-adjust the way they do business by adopting online work from home strategy.
- BMOs and chambers of commerce are providing contributions to those in need in the midst of the pandemic.
- Covid-19 has had a significant impact on small businesses' revenue and hundreds of thousand of employees are at risk of losing their jobs.

Policy implications

- BMOs and chambers of commerce need to expand technical assistance support by establishing a centralized web-based information center to update members with relevant links, resources and templates to minimize the impact of Covid-19.
- BMOs and chambers of commerce need to continue raising awareness and sharing best practices using media to mitigate Covid-19.
- BMOs and chambers of commerce need to adopt and embrace of online and other technology-enabled service delivery and working methods.
- BMOs and chambers of commerce need to work closely with the government to provide guidance to small businesses about COVID-19 support programs.
- BMOs and chambers of commerce should work closely with local community associations and civil organizations on efforts to support businesses, employees and vulnerable populations.

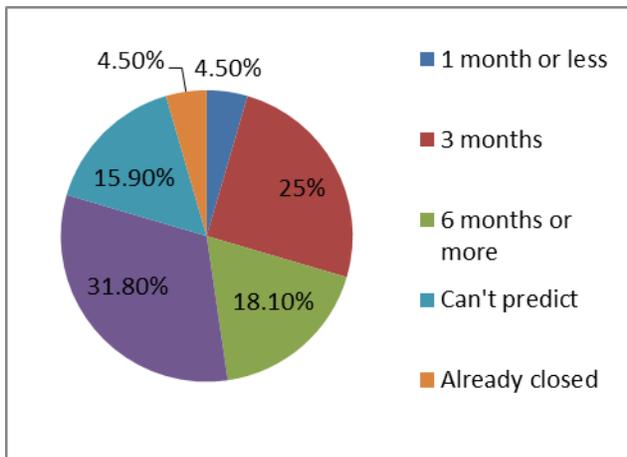
FINDINGS

1. How have your BMO/Chamber operations been affected by the coronavirus (COVID-19) pandemic?



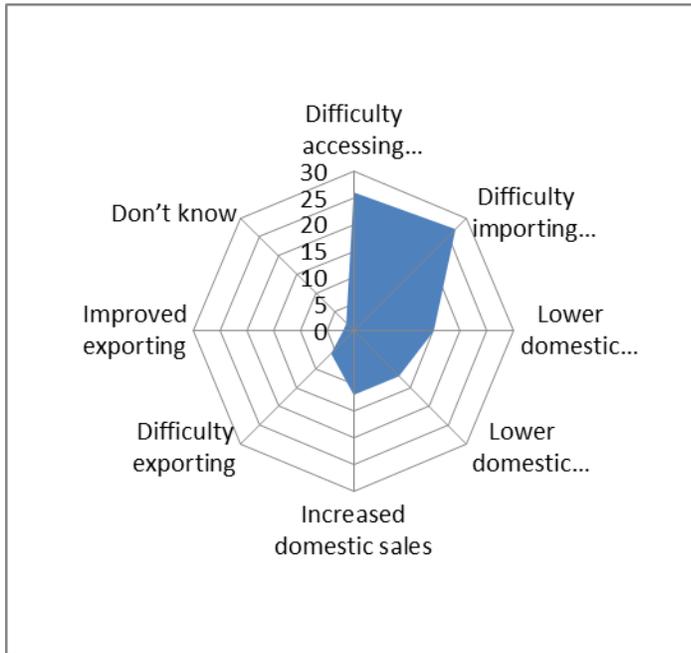
Nearly 75% of businesses responding to the survey indicated that their operations are strongly affected by Covid-19 crisis; 20% indicated that their operation was moderately affected. This means that nearly 95% of BMOs and Chambers of commerce are in one way or another seriously affected by Covid-19.

2. Do you think there is a risk that your BMO/Chambers will shut down because of this crisis, and if so, when could these closures occur?



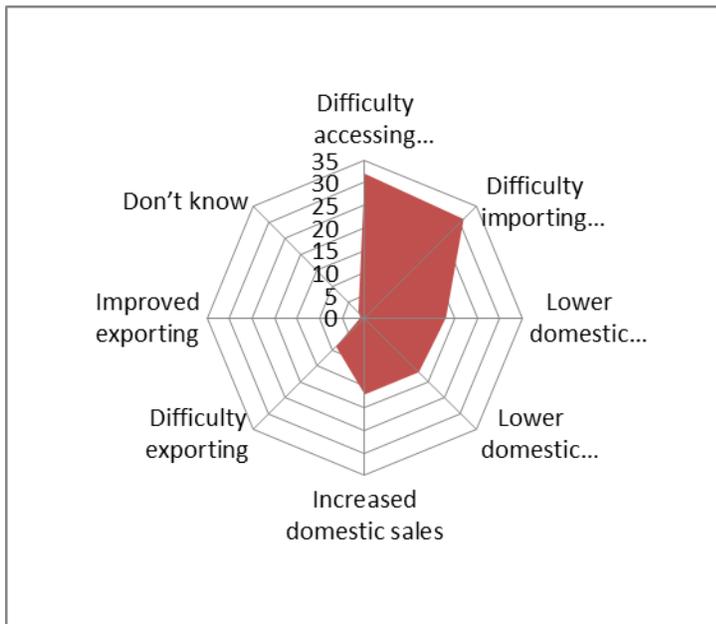
Over 4% of chambers of commerce and BMOs indicated that their operations has already shutdown because of the crisis; another 4.5% say they expect to stop operation within a month.

3. Has the coronavirus (COVID-19) pandemic affected the ability of your members to purchase inputs for their businesses and/or sell outputs?



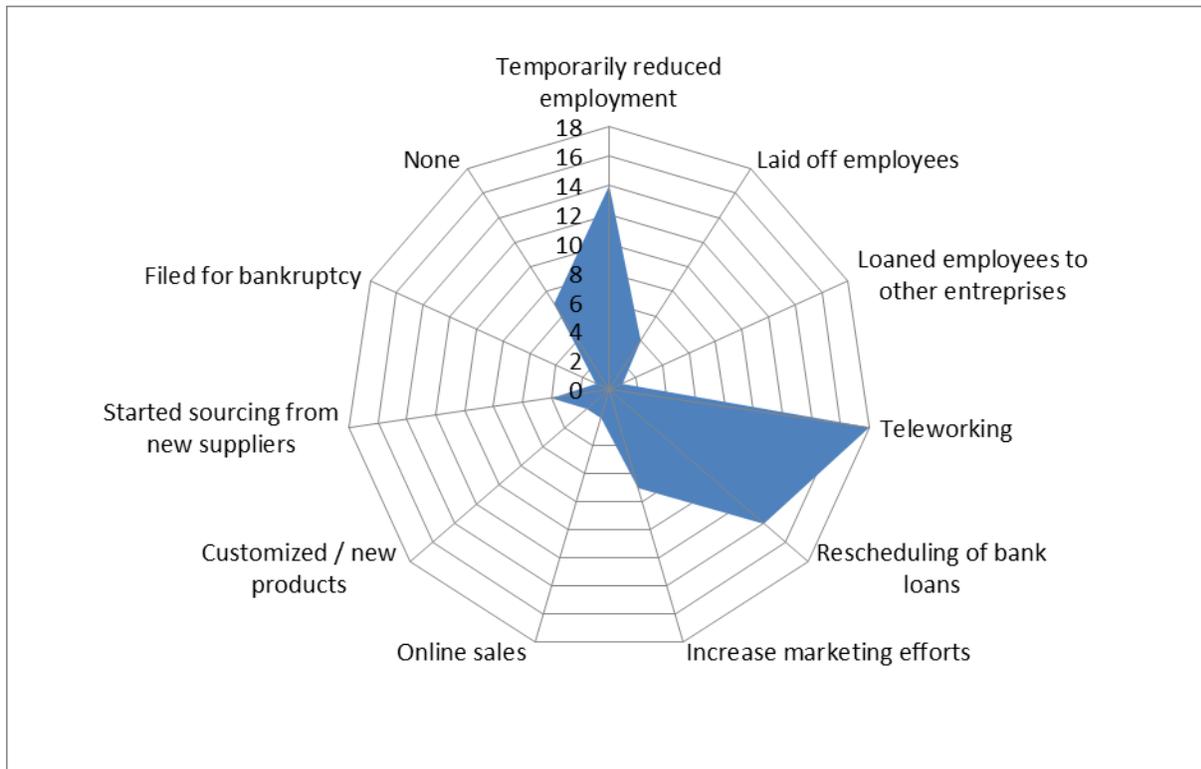
The major problems faced by businesses are difficulty accessing inputs domestically, difficulty importing inputs from abroad and lower domestic sales to businesses and consumers

4. Has the coronavirus (COVID-19) pandemic affected your BMO/Chamber in any of the following ways?



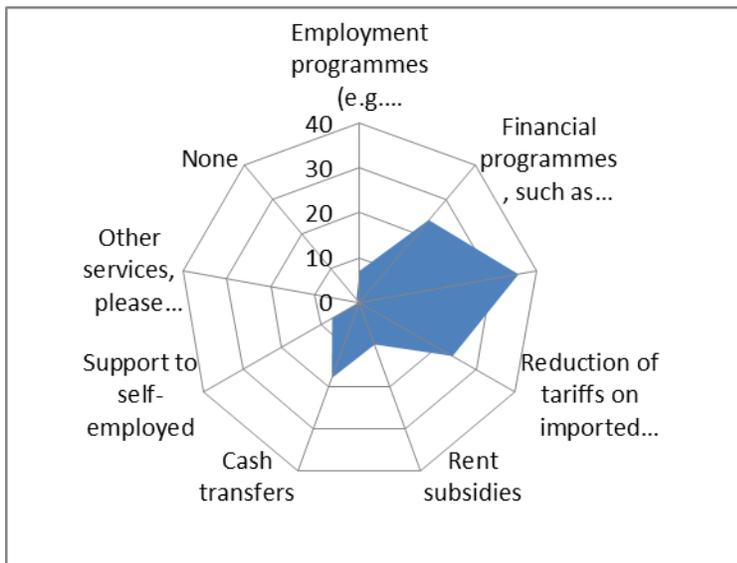
The major problems faced by BMOs are difficulty accessing inputs domestically, difficulty importing inputs from abroad and lower domestic sales to businesses and consumers

5. Have you adopted any of the following strategies to cope with the crisis?



The majority of strategies adopted are reduction of employees, teleworking and rescheduling of loans. And the lack of activities in the customized and online sales suggest potential areas where capacity building might be needed in areas like adapting innovative business models and technology use such as e-commerce and digital marketing.

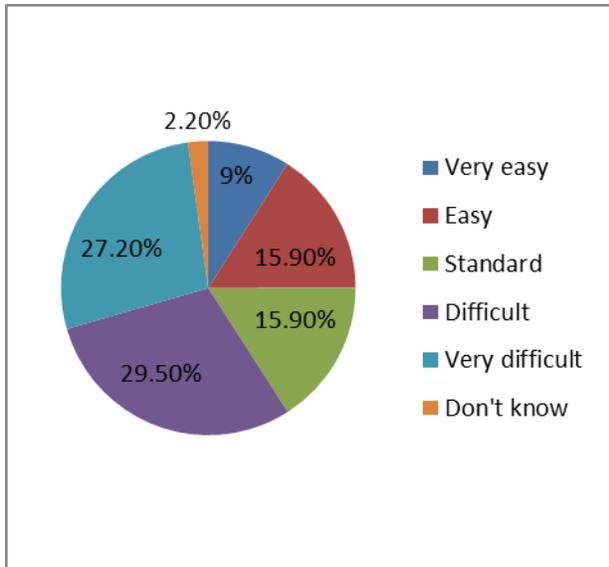
6. What are the top three government measures that would be most helpful for your members cope with the COVID crisis.



The top three government measures identified by BMOs as helpful were

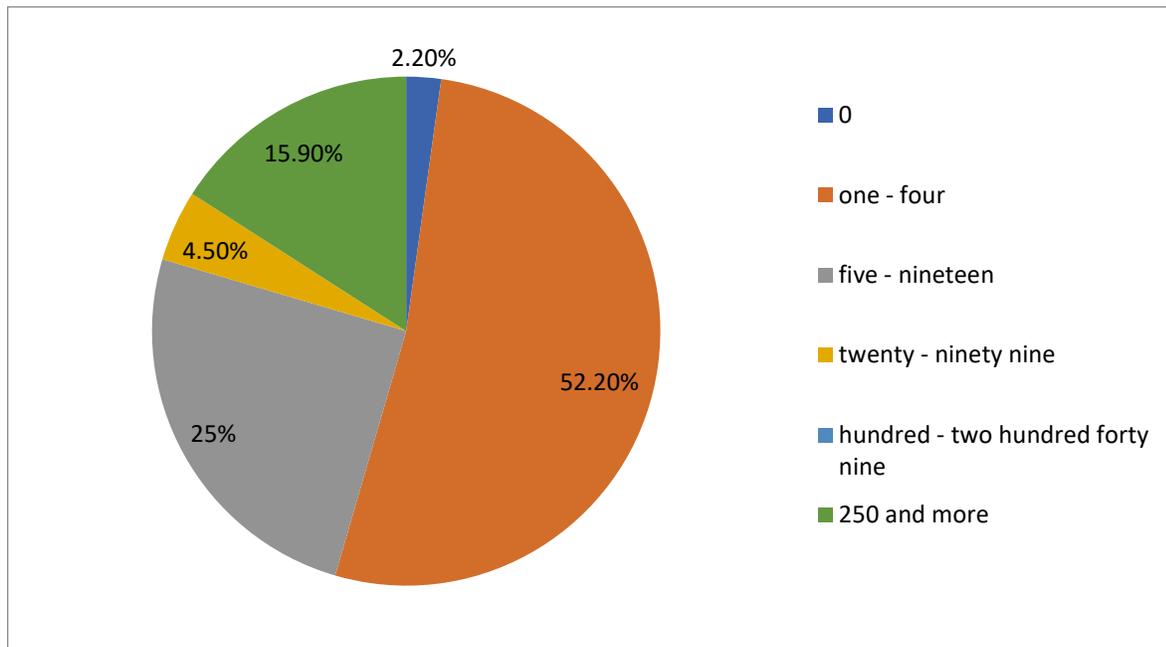
- I. tax waivers or temporary tax breaks,
- II. financial programs [such as low interest credit line or credit guarantees]
- III. reduction of tariffs on imported inputs
- IV. cash transfer
- V. rent subsidies
- VI. Support to self-employed
- VII. Employment programs (e.g. temporary unemployment programs or social security waivers)

7. How easy is it for your members to access information and benefits from government COVID-related business assistance programs?

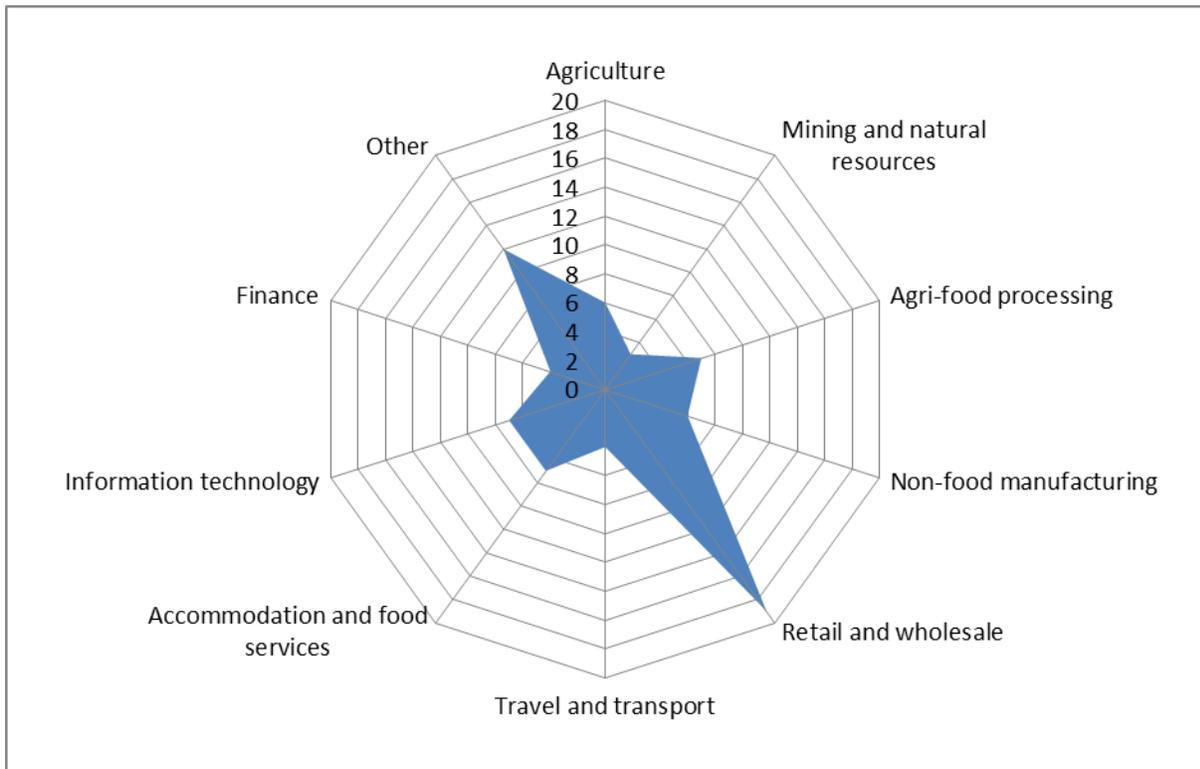


Nearly 29.5% of respondents indicated it's very difficult to access the information and benefits for businesses for the Covid-19 crisis; 27.2% indicated it's moderately difficult and 15.9% said it's the same as before/standard. This means that in one way or another 72.6% of BMOs and Chambers of commerce facing information gaps about assistance programs.

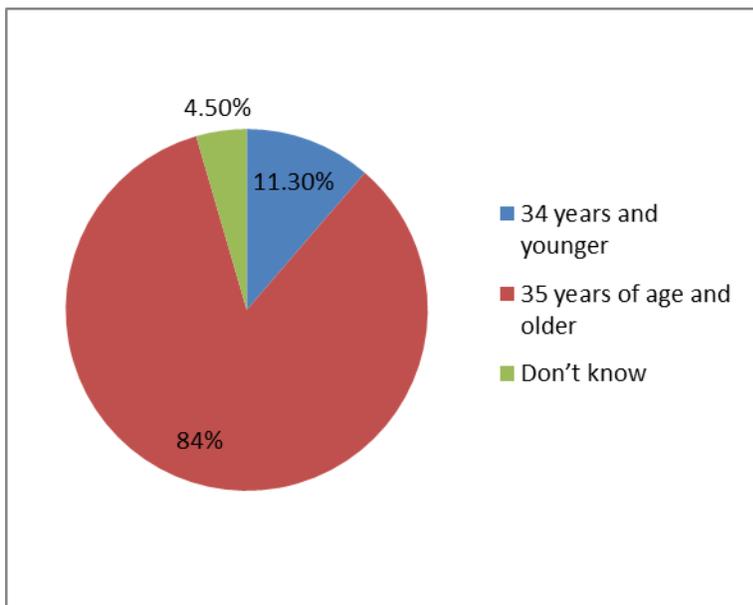
8. How many full-time employees does the business have?



9. What is the main sector of activity of your Chamber/BMO?



10. What is the age of the top manager of the BMO/Chamber?



11. Does the BMO/Chamber participate in international business relations?

