

**Timeline**

April-June 2020

**Study Type**

Pilot

**Article Link**

<https://bigd.bracu.ac.bd/study/impact-of-covid-19-induced-economic-crisis-on-th...>

**Research Implemented by IPA**

No

# Impact of the COVID-19-induced Economic Crisis on Micro, Small and Medium Enterprises (MSMEs) in Bangladesh

## Researchers

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## Abstract

Micro, small, and medium Enterprises (MSMEs) are the lifeline of the economy of Bangladesh. According to a 2019 World Bank report, 99% of the non-farm enterprises in Bangladesh are MSMEs, and in 2013, MSMEs created about 20 million jobs. Most are informal, and the majority of these informal enterprises are providing service to the domestic markets and involved in trading activities. Financial constraints faced by MSMEs in Bangladesh is widely recognized in academic literature as well as by practitioners in the field. Micro and small enterprises in general, and particularly those producing and selling non-essential products and services for the domestic markets, are experiencing a sudden plunge in their sales. The majority of these enterprises do not possess adequate liquid assets or access to credit, even in normal times, yet the survival of MSMEs is particularly important for the economic recovery in the country after the pandemic is over. This research will highlight the experiences of micro and small enterprises and provide practical policy recommendations about how to support them. The study will employ a quantitative survey and the sample will be drawn from recent surveys conducted by BIGD; researchers have an aggregate sampling frame of 6,000 surveys conducted with micro and small enterprises from several studies conducted for BRAC's Skills Development program, and with an approximate 50% success rate, expect to interview 3,000 small and medium enterprises.

## Project Outcomes of Interest

Nature of business and the number of people employed; the impact of the crisis on their business; the coping mechanisms for their businesses; support needed for their business to survive

## Partners

BRAC Institute of Governance and Development (BIGD), Policy Research Institute (PRI)

## Project Data Collection Mode

- CATI (Computer-assisted telephone interviewing)

## Implementing Organization

BRAC Institute of Governance and Development (BIGD)

## Results Status

No Results Yet