

## **Opening Remarks – Amson Sibanda**

### **Capacity Building Event: The Impact of the COVID-19 Pandemic on Micro, Small and Medium Enterprises (MSMEs) in the Creative Industry Sector in the Philippines**

**8.00pm - 09.15pm on Wednesday, 22 July 2020 (EDT) / 8.00am - 09.15am on Thursday, 23 July 2020 (PHT)**

Distinguished guests,

Ladies and gentlemen,

I am very pleased to join you today at this capacity building event on “The Impact of the Covid-19 Pandemic on the Micro, Small and Medium Enterprises (MSMEs) in the Creative Industry Sector in the Philippines”. This event is timely and focuses on an important topic as the Covid-19 pandemic continues to impose huge societal and economic impacts around the world. The pandemic has not spared any nation and it has impacted all of us. The measures that have been put in place to flatten the curve and contain the virus have not only impacted people working in creative industries but have also changed how we consume the work produced by the creative industry, whether it’s music, performing arts or visual arts. The revenues generated by the creative sector have plummeted and employment levels have sharply fallen. Lockdowns and social distancing measures have also meant that cultural and creative sectors are not able to attract tourists or bring communities together and foster social inclusion and psychological wellbeing. In that regard, this crisis is a serious threat to the survival of many MSME firms and workers in cultural and creative production. However, I would be remiss if I also fail to point out the emerging opportunities that this crisis has created such as new content platforms and emerging technologies to deliver content to wider

audiences. These new opportunities can enhance the resiliency and sustainability of MSMEs in this sector.

I am therefore delighted to note that the Division for Sustainable Development Goals of the UN Department of Economic and Social Affairs, has jointly organized this event with the Department of Trade and Industry (DTI) of the Government of the Republic of the Philippines. This event is being held as a part of the National MSME Week of the Philippines, hosted by the Department of Trade and Industry.

I would also like to express my sincere thanks to Undersecretary Ms. Blesila Lantayona and to Assistant Secretary Ms. Asteria Caberte of the Department of Trade and Industry for joining us today. Your participation demonstrates the high-level commitment of the DTI to the partnership with DESA/DSDG on supporting MSME growth for achieving SDGs in the Philippines, with creative and innovative solutions.

Ladies and gentlemen,

Micro-, small and medium-sized enterprises (MSMEs) comprise the majority of business entities globally. They contribute significantly to employment and economic growth around the world. They are a crucial force for creating jobs, reducing hunger and poverty, and stimulating entrepreneurship and innovation for achieving the Sustainable Development Goals. The roles of MSMEs as enduring enterprises for jobs and livelihoods, business incubation and entrepreneurship can hardly be ignored, especially during these difficult times. Unfortunately, the economic slow-down triggered by the Covid-19 pandemic has taken a heavy toll on

MSMEs, including increased cashflow pressures, working capital erosion, interruption to supply chains and the loss of customers. The pandemic has laid bare the existing challenges in the MSME sector, underscoring the need for coherent and holistic policy responses supporting MSME resilience and expanding their contribution to sustained and inclusive economic recovery.

Through the project, *“Enhancing national capacities for unleashing the potential of MSMEs in achieving SDGs in developing countries”*, funded by the UN Peace and Development Fund, DESA/DSDG has worked closely with the DTI of the Government of the Republic of the Philippines on optimizing policy framework for promoting MSME growth and achieving SDGs in the Philippines. We were honored to receive both the Undersecretary and the Assistant Secretary during the study tour to Singapore and Indonesia in November 2019. It was a strategic occasion where dialogue among policymakers was coordinated on good practices in supporting MSMEs in the creative industry sector. I am happy to see that the spirit of partnership has been carried forward, which has led to this capacity building event.

I am also glad to note that, through the partnership with the DTI, a report on *“Impacts of the Covid-19 Pandemic on Implementing Cebu City’s Creative Agenda for Achieving SDGs in the Philippines”* has been delivered by our consultant Mr. Gil Butch Carungay. The report provides an overview on impacts of the Covid-19 pandemic on MSMEs in the Philippines, in addition to examining policy responses to support MSMEs in the creative industry sector. It also shares interesting examples on how MSME entrepreneurs in the Cebu City have taken the initiative to improve business continuity and help foster a speedy recovery from the

economic crisis posed by the pandemic. Mr. Carungay will present the report today. I hope his presentation would help contribute to stimulate further discussions on strengthening MSMEs and building back better in the Philippines, leveraging on the experience of the Cebu City.

Ladies and gentlemen,

At the time when the global economy is struggling to reopen and the uncertainty of a second wave of the Covid-19 outbreak still looms ahead, our discussions today are timely as they will help us to explore and understand gaps, demands and challenges that MSMEs are facing to recover from the Covid-19 induced shocks. If past economic shocks are any guide, the effects of the pandemic are likely to linger for years.

It would be critical to ensure sustained policy support, including the provision of targeted emergency relief funding for MSMEs in this sector if we are to protect the creative industries and ensure a job-rich recovery. Policy support targeting enhancing and upgrading the technological skills and digital access for MSMEs and their customers is also critical. Moreover, international cooperation and partnerships remain the key for building an enabling policy environment for MSME growth in the post Covid-19 economic resurgence. The United Nations system is playing a critical role in strengthening the global ecosystem for improving MSME resilience, actions that will contribute to a transformative recovery for building back better through inclusive and sustainable pathways. Partnership among national governments, international organizations, and the private sector, which has been exhibited through the capacity building event today, would be important to fully leverage the power of MSMEs in building a sustainable future.

Thank you very much for your attention!