

The Economic Impact of Coronavirus

Issue 3 - Survey Analysis - June 2020

Message



"The remarkable participation of business owners in the Chamber's survey, which was launched to identify the implications of the spread of coronavirus on the commercial street, indicates business owners' great awareness and confidence in Bahrain Chamber. We are taking an active role in maintaining our partnership with the Government and communicating the opinions and recommendations of survey participants to all relevant authorities. As such, the Chamber can solidify its goal to act as the main representative of business owners and to demonstrate that it is worthy of their trust. "

Sameer Abdulla Nass
Chairman of Bahrain Chamber



Bahrain Chamber believes in the critical role of the private sector in the development process, especially in light of the pressing circumstances that the global economy is experiencing due to the coronavirus pandemic (covid-19).

Out of our keenness to keep Chamber members aware of the latest economic developments, we have worked continuously during the past period to publish studies that help in developing future plans that ensure the sustainability of businesses during these circumstances. We are now building upon what we started by publishing the results of the survey launched by the Chamber to serve the commercial street.

Shaker Ebrahim Al Shater
CEO of Bahrain Chamber

Introduction

- ▶ The Studies and Initiatives Center at Bahrain Chamber has launched a survey titled “The Economic Impact of Coronavirus on Business Owners”.
- ▶ The survey was conducted during the precautionary full or partial closure of industrial and commercial businesses in Bahrain.
- ▶ The survey results reflect the opinions of participants from the private sector.

1,180

Number of
Participants



83%
Chamber Members



72%
Bahrainis



45%
Companies older
than 9 years

53%
Micro Companies

35%
Small Companies

5%
Medium Companies

7%
Large Companies

62%
1-50,000 BD

25%
50,001-1 million BD

7%
1,000,001-3 million BD

6%
Over 3 million BD

45%
Don't have any
Bahraini Employees

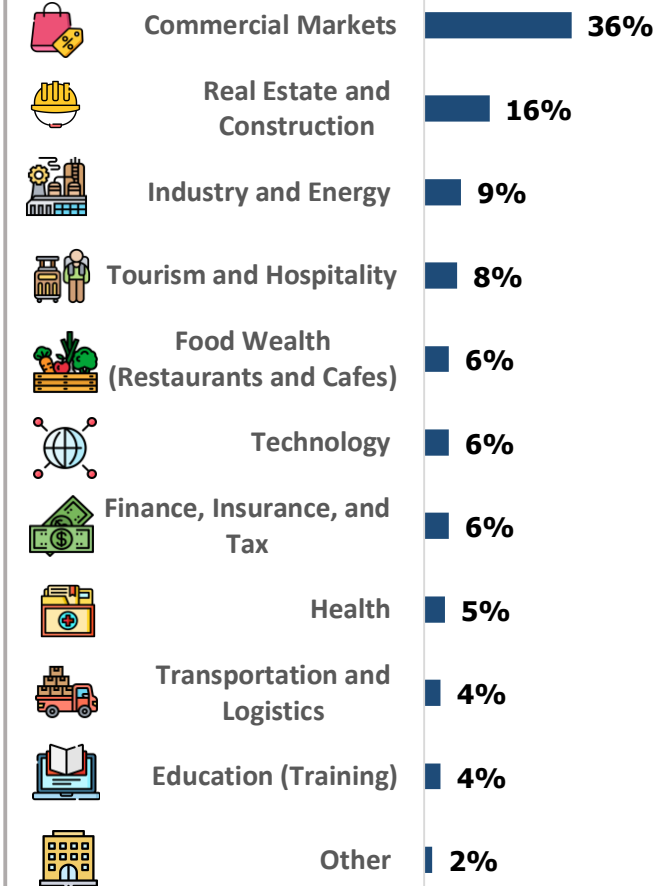
43%
Below 50% of their
employees are Bahraini

12%
More than 50% of their
employees are Bahraini

33%
Limited Liability
Companies

*This analysis is accurate at the 95% confidence interval with a 3% margin of error.

Participation of Economic Sectors



Notable Survey Results

- ▶ **70%** of business owners are optimistic about the recovery of the economy over the next 2-3 years.
- ▶ **77%** of business owners expect their business to recover within 12 months after the end of the pandemic, provided they overcome the pandemic.
- ▶ **73%** of business owners have benefitted from the Government support provided through the economic Stimulus/Tamkeen/Liquidity Support Fund.
- ▶ **61%** of business owners have reported an increase in electronic payments.
- ▶ **84%** of business owners have expressed concerns regarding the payment of salaries.
- ▶ **49%** of business owners expect their cash flow to maintain their operations for 1-6 months.
- ▶ **83%** of business owners has been impacted by the decision to close commercial and industrial businesses to prevent the spread of coronavirus in Bahrain.
- ▶ **39%** of business owners expect to layoff **more than 20%** of their employees during the upcoming period.
- ▶ **67%** of business owners expect a significant decrease in revenue in the upcoming period.
- ▶ **32%** of business owners expect the closure and bankruptcy of their companies.
- ▶ **43%** of tourism and hospitality companies expect closure and bankruptcy, in addition to **38%** of micro companies and **41%** of companies founded between 1-2 years ago.

01

Survey Results

Primary Concerns of Business Owners if Economic Recession Persists



84%

of business owners have expressed concerns regarding the payment of salaries



82%

of business owners have expressed concerns regarding the payment of rent



81%

of business owners have expressed concerns regarding the reduction of business volume



58%

of business owners have expressed concerns regarding the payment of government fees



50%

of business owners have expressed concerns regarding increased difficulties in financing



50%

of business owners have expressed concerns regarding a delay in receivables

Government Initiatives to Address Business Owner Concerns



84%

of business owners have expressed concerns regarding the payment of salaries



82%

of business owners have expressed concerns regarding the payment of rent

- ▶ Bahrain's Government has allocated **215 million BD** towards paying the salaries of Bahraini private sector employees.
- ▶ Exemption of industrial and commercial institutions from the fees associated with renting government industrial lands in April, May and June 2020. Businesses are also exempted from paying tourism fees associated with tourism facilities.
- ▶ The Ministry of Works, Municipalities Affairs & Urban Planning decided to stop collecting rent and beneficiary allowance from business owners utilizing the ministry's properties for a period of three months, starting in April 2020. This includes central markets, vendors, and tenants of small shops in malls.
- ▶ The Supreme Council for Environment decided to stop collecting rent from business owners that have rented shops and leased lands from the Council for a period of three months.
- ▶ Eskan Bank decided to stop collecting rent from the tenants and beneficiaries of the shops owned by the Bank for a period of three months.

Private Sector Initiatives to Address Business Owner Concerns



81%

of business owners have expressed concerns regarding the reduction of business volume



58%

of business owners have expressed concerns regarding the payment of government fees

- ▶ Bahrain Chamber has urged commercial realtors and shopping malls to reduce the pressure on commercial shop owners, and has also contacted the concerned entities to encourage them to excuse tenants from paying monthly rents. This is because business owners have suffered a significant negative impact and liquidity crisis as a result of the precautionary closure of industrial and commercial businesses, and the Chamber wants to prevent these businesses from permanently closing down. Most concerned entities were responsive to the Chamber's requests, to varying degrees.

Private Sector Initiatives to Address Business Owner Concerns



81%

of business owners have expressed concerns regarding the reduction of business volume



58%

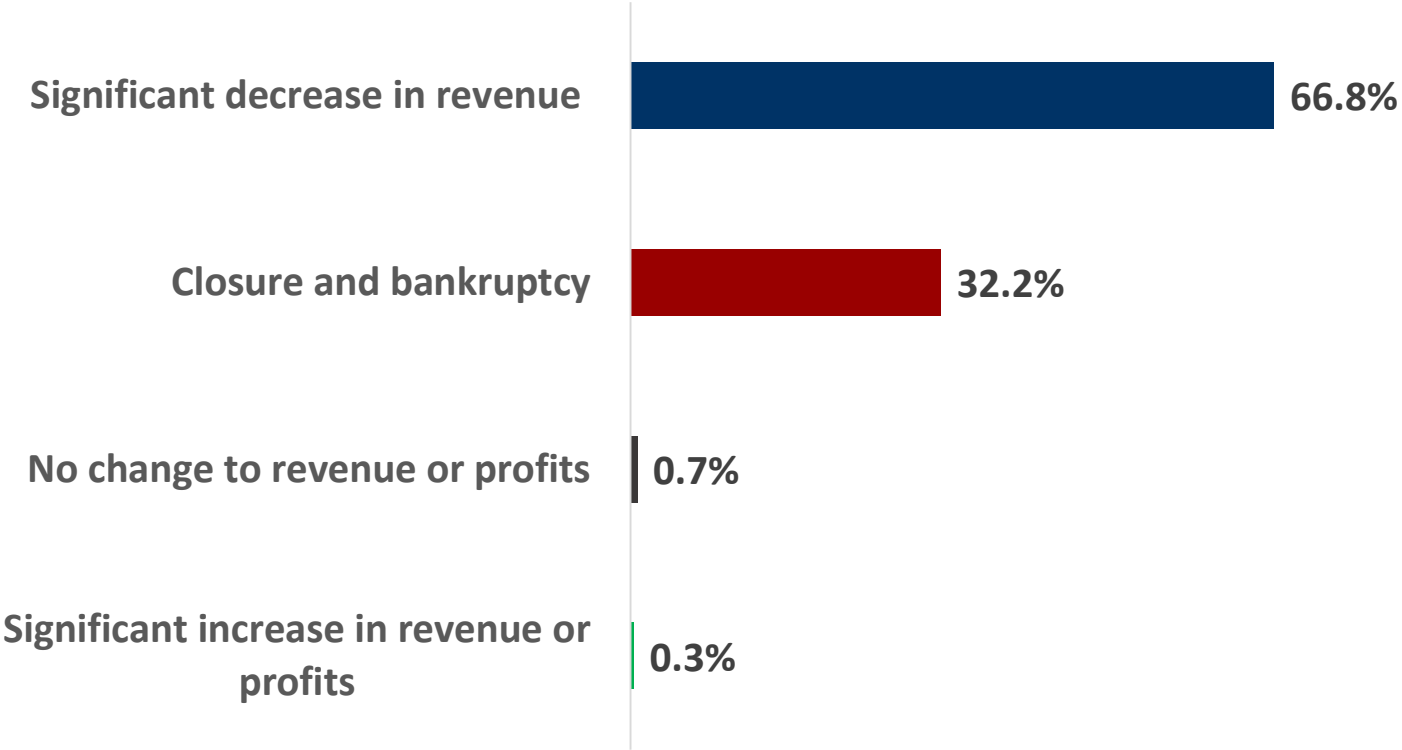
of business owners have expressed concerns regarding the payment of government fees

- ▶ Seef Properties launched a fund worth 1 million BD to support the tenants of its commercial malls.
- ▶ Edamah stopped collecting rent from startups in April and May.
- ▶ Yateem Complex stopped collecting rent for 3 months.
- ▶ The Avenues Mall launched an initiative to stop the collection of rent, according to evaluation.
- ▶ Bahrain Development Bank exempted Sitra Mall stores from paying rent for 3 months.
- ▶ Riyadat Mall stopped collecting rent for 5 months.
- ▶ Jaffaria Waqf Directorate exempted waqf stores from paying rent for three months.
- ▶ “Amlak” launched a fund worth 550,000 BD to support the tenants of its commercial centers.
- ▶ Al Aali Mall stopped collecting rent for one month.
- ▶ Moda Mall launched an initiative to stop the collection of rent, according to evaluation.

Business Owner Expectations for Impact on Revenue if Coronavirus Lasts Longer

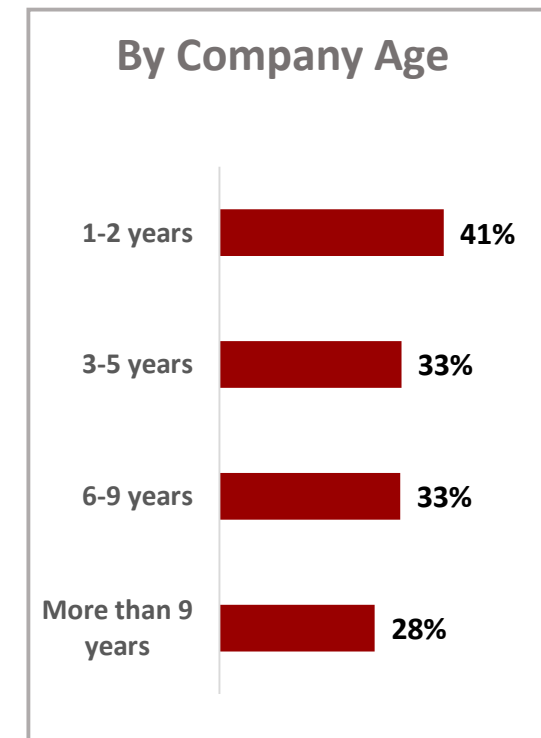
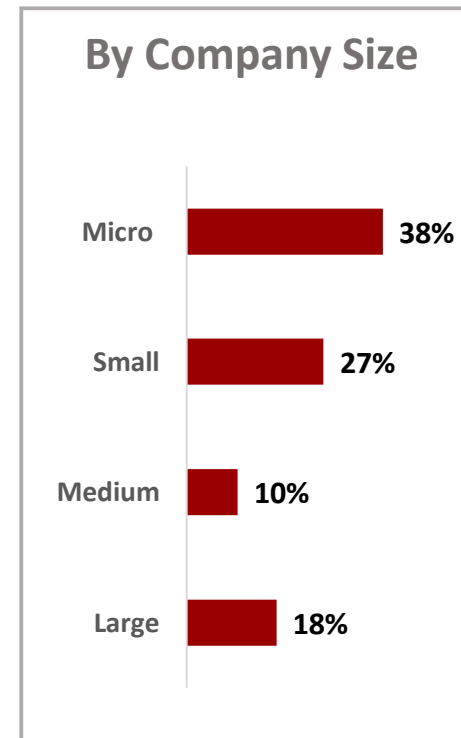
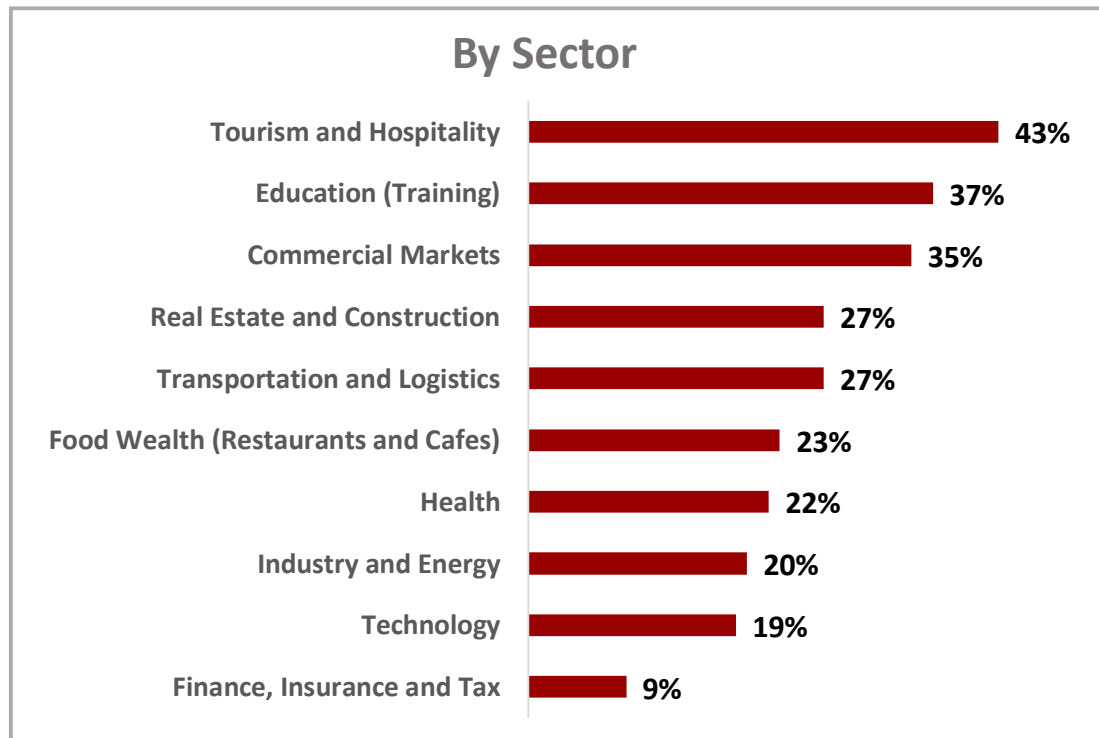
► **67%** of business owners expect a significant decrease in revenue in the upcoming period.

► **32%** of business owners expect the closure and bankruptcy of their companies.



Companies that Expect Closure and Bankruptcy

- **43%** of tourism and hospitality companies expect closure and bankruptcy, in addition to **38%** of micro companies and **41%** of companies founded between 1-2 years ago.

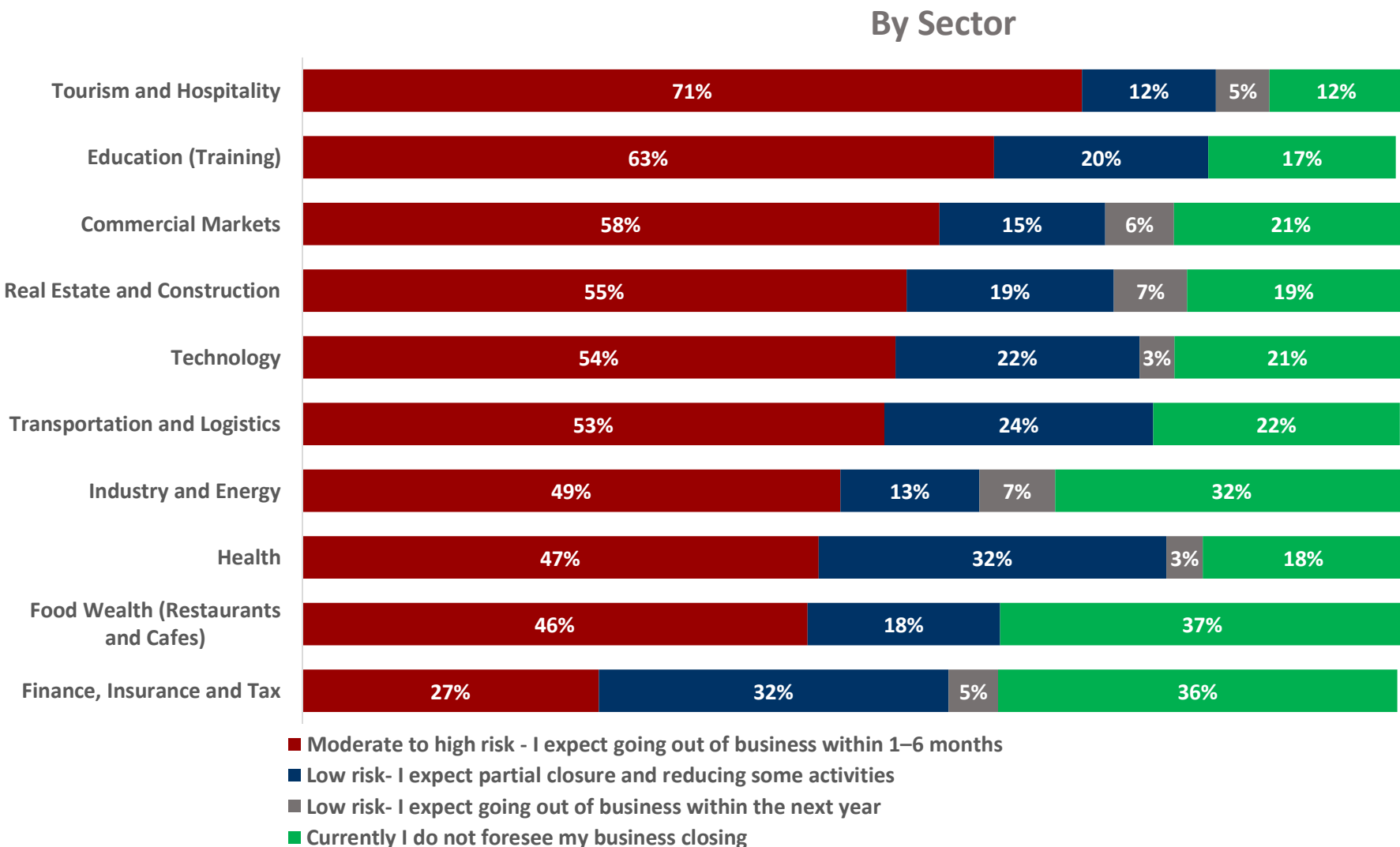


Business Owner Expectations for the Risk of Company Closure

59% of business owners expect to close their companies within the next 1-6 months.



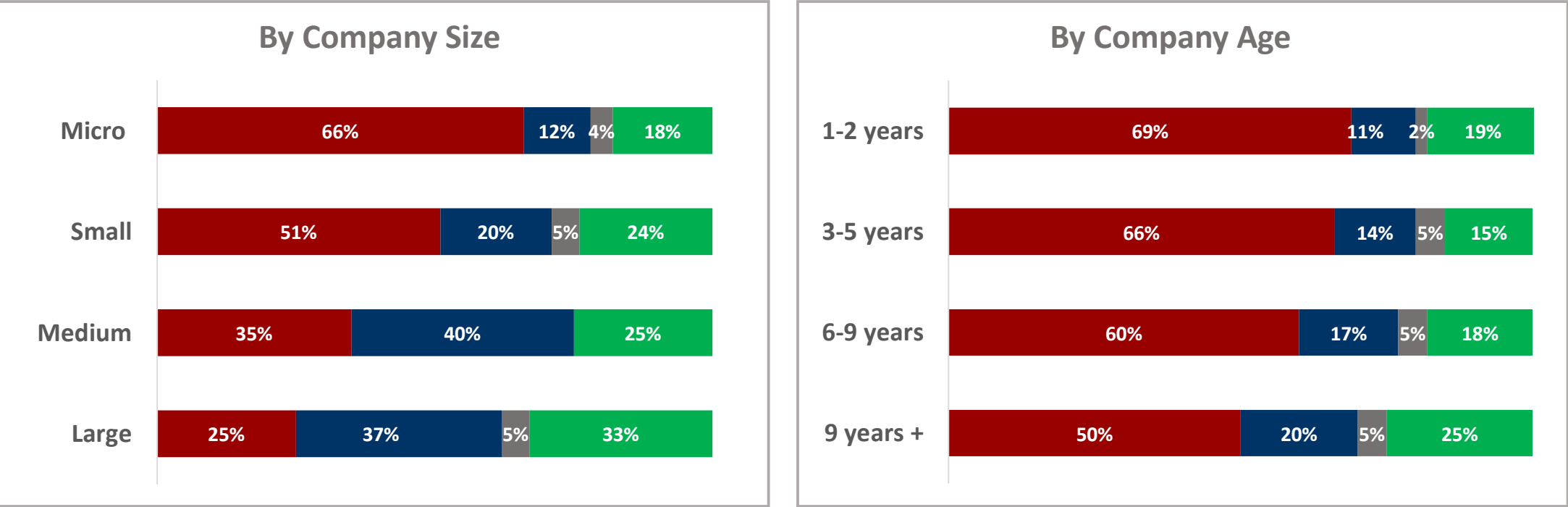
Business Owner Expectations for the Risk of Company Closure



71% of business owners from the tourism and hospitality sector expect to close their companies within the next 1-6 months.

Business Owner Expectations for the Risk of Company Closure

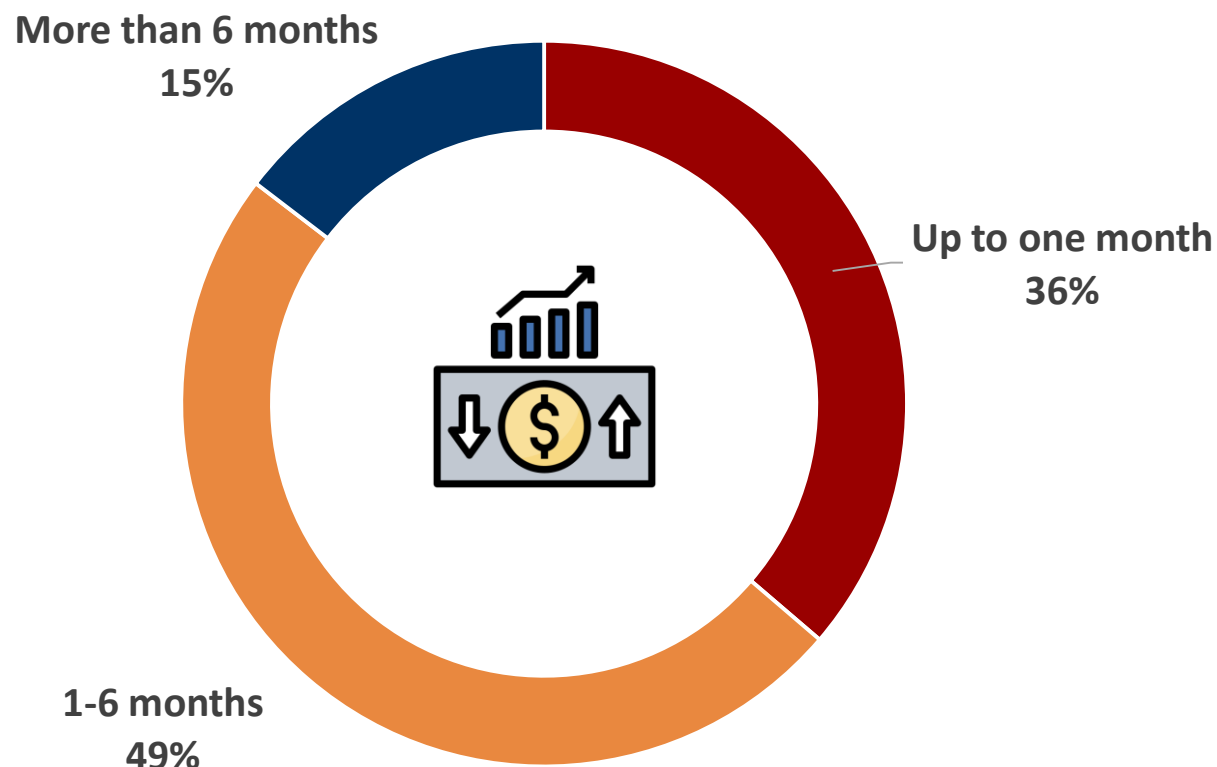
66% of micro companies and **69%** of companies between 1-2 years old expect to expect to close their companies within the next 1-6 months.



Business Owner Expectations for How Long Cash Flow will Maintain Company Operations

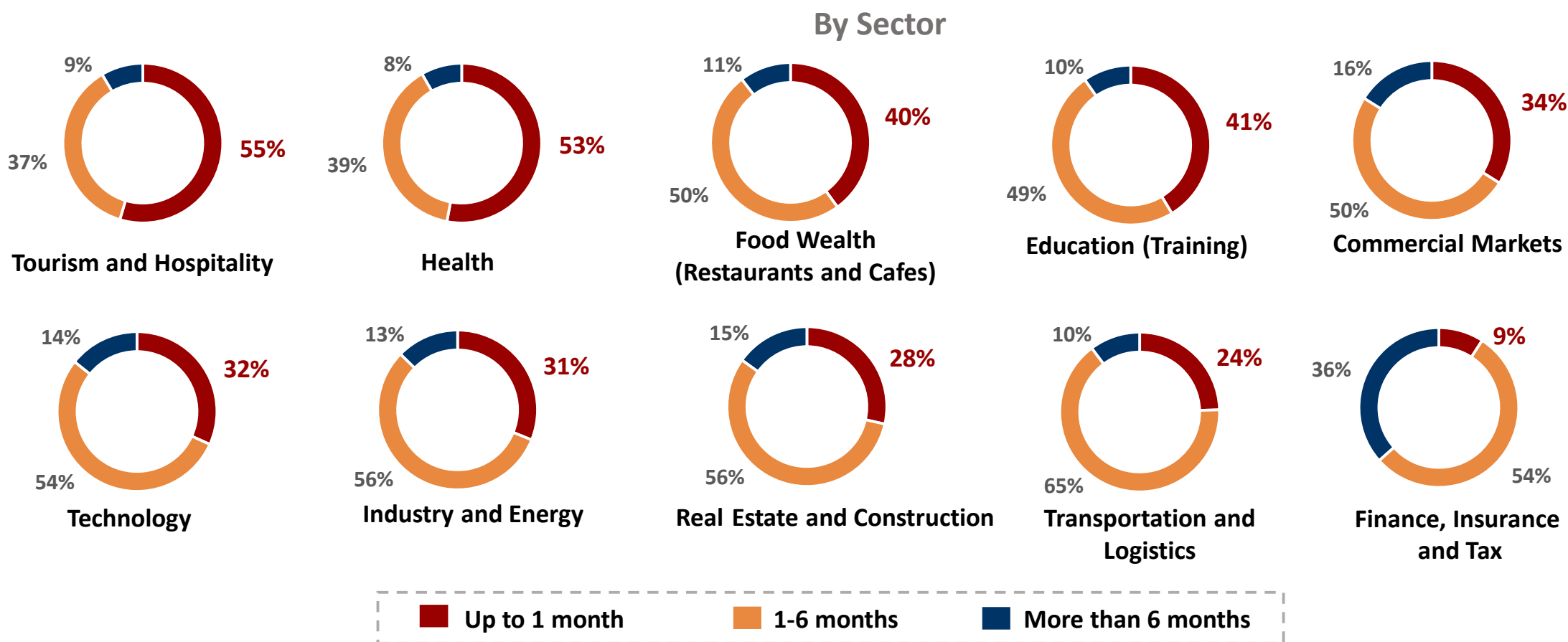
36% of business owners expect their cash flow to maintain their operations **for only one month.**

49% of business owners expect their cash flow to maintain their operations **for 1-6 months.**



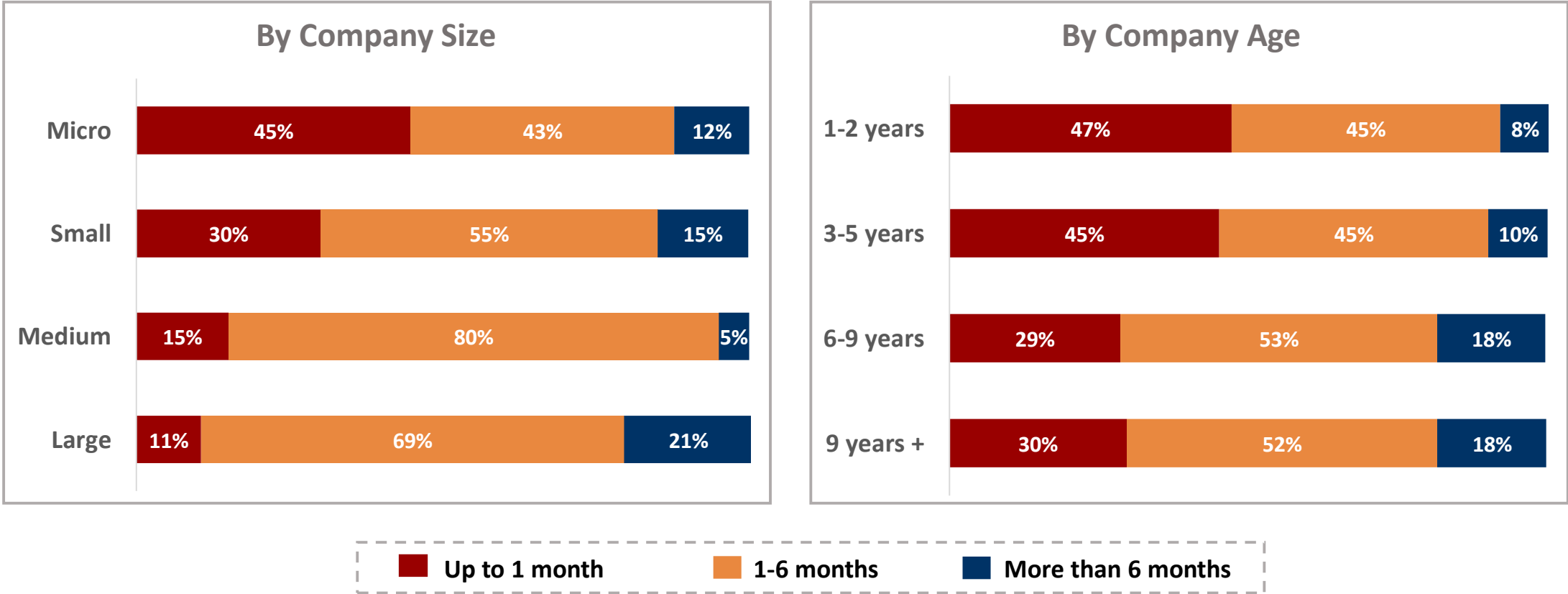
Business Owner Expectations for How Long Cash Flow will Maintain Company Operations

55% of business owners in the tourism and hospitality sector and **53%** of business owners in the health sector don't expect their cash flow to maintain their operations **for more than one month.**



Business Owner Expectations for How Long Cash Flow will Maintain Company Operations

45% of micro companies and **47%** of companies between 1-2 years old don't expect their cash flow to maintain their operations **for more than one month.**



Main Financial Actions Taken by Business Owners to Manage Cash Flow



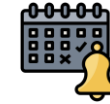
73%

Government support
(Stimulus/Tamkeen/Liquidity Support Fund)



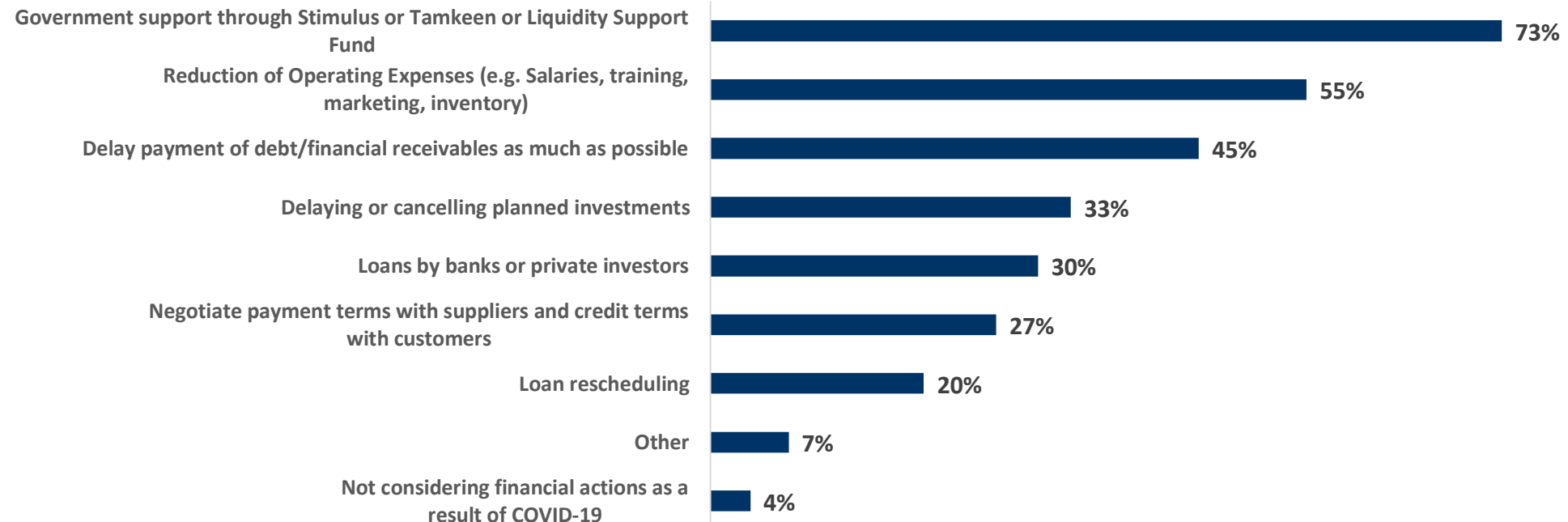
55%

Reduction of operating expenses (e.g.
salaries, training, marketing)



45%

Delay payment of debt/financial
receivables as much as possible



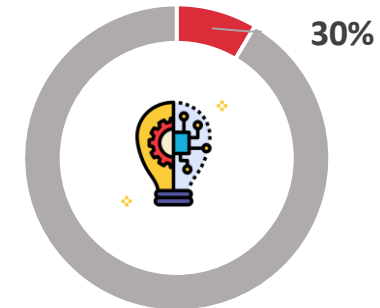
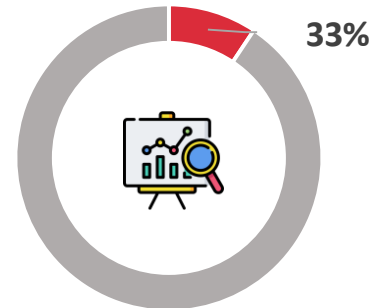
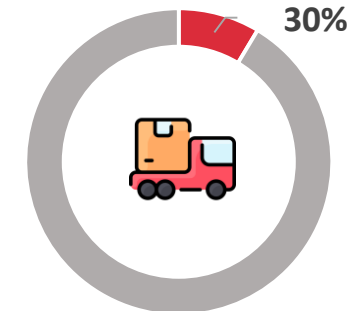
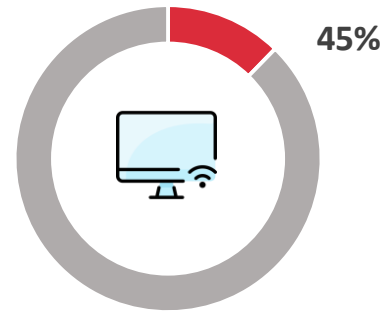
Companies Impacted by the Decision to close Commercial and Industrial Businesses



83% of business owners has been impacted by the decision to close commercial and industrial businesses to prevent the spread of coronavirus in Bahrain.



Measures taken by business owners to ensure business continuity



Launch of the First Virtual Mall in Bahrain



Mall
by moic.gov.bh

MOICT has launched the first virtual mall in the Kingdom of Bahrain that includes eCommerce businesses registered in the Kingdom.

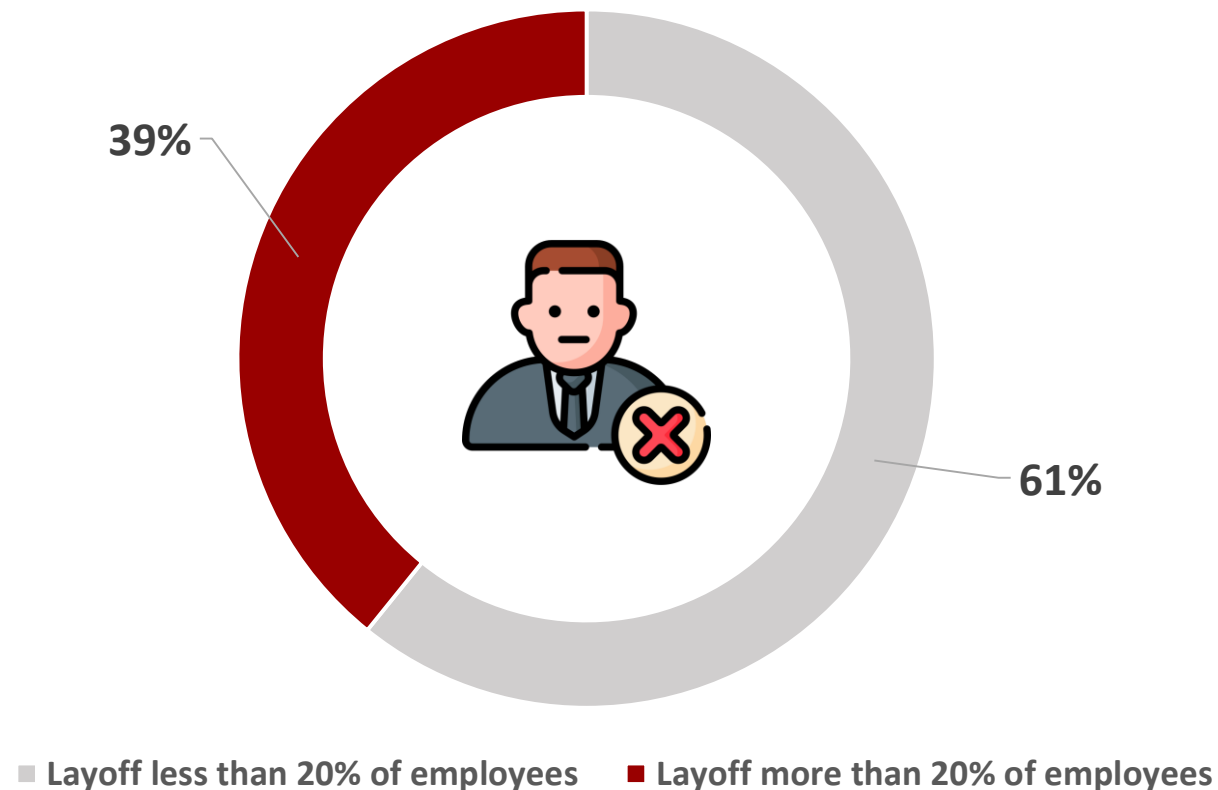
The mall.bh initiative is one of the national eCommerce strategy initiatives prepared by the Ministry of Industry, Commerce and Tourism to support eCommerce in the Kingdom of Bahrain. This initiative strives to introduce these eCommerce businesses to consumers and to enhance consumers' confidence in dealing with local eCommerce practitioners and doing business with them.

The initiative also aims to encourage the commercial sector to implement a digital transformation and to fully prepare for the digital economy and its requirements.

This platform allows all eCommerce businesses registered in the Kingdom of Bahrain to participate in the appropriate category chosen by the business owner.

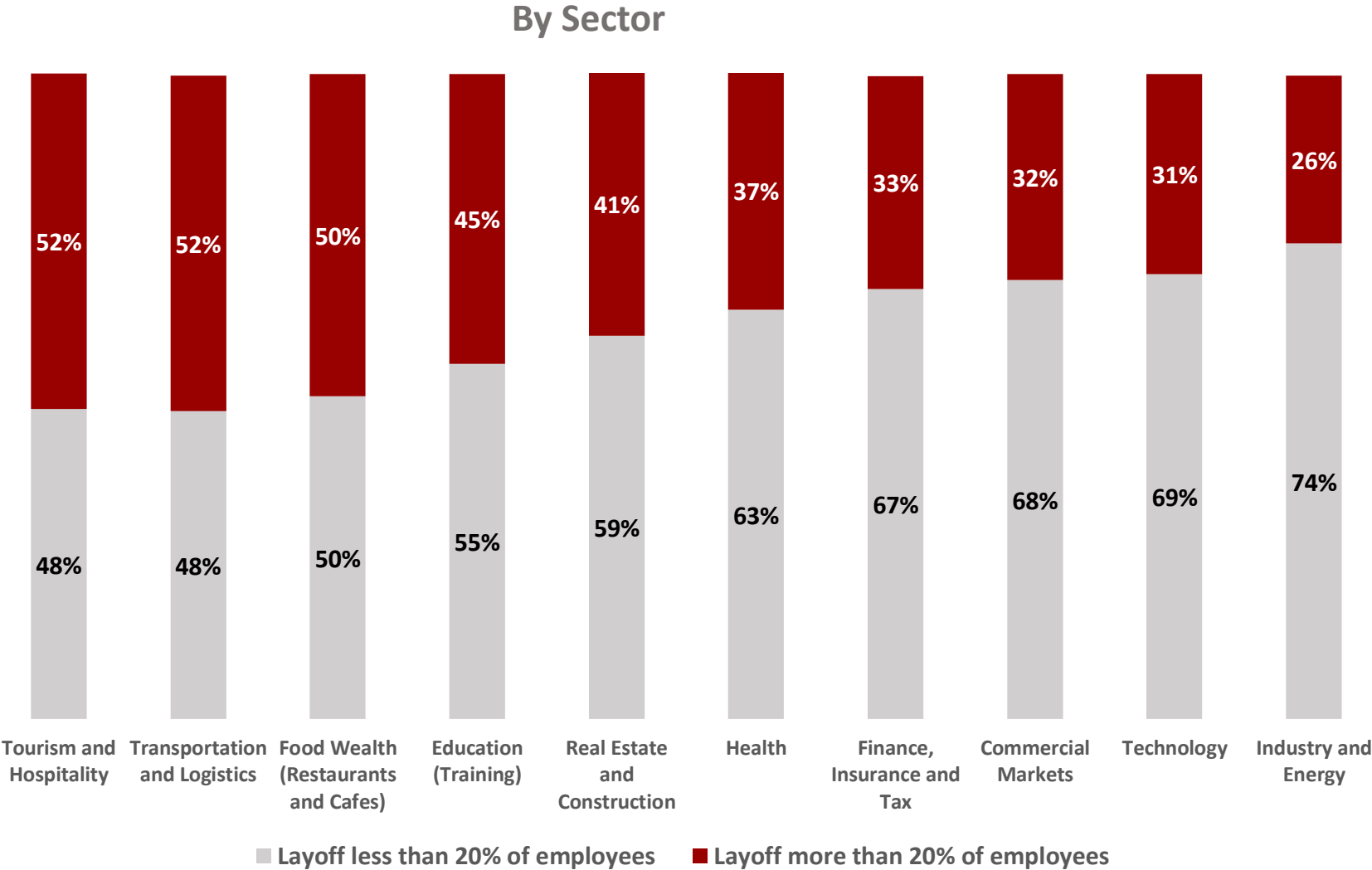
Percentage of Employees Expected to be Laid off During Upcoming Period

39% of business owners expect to layoff **more than 20%** of their employees during the upcoming period.



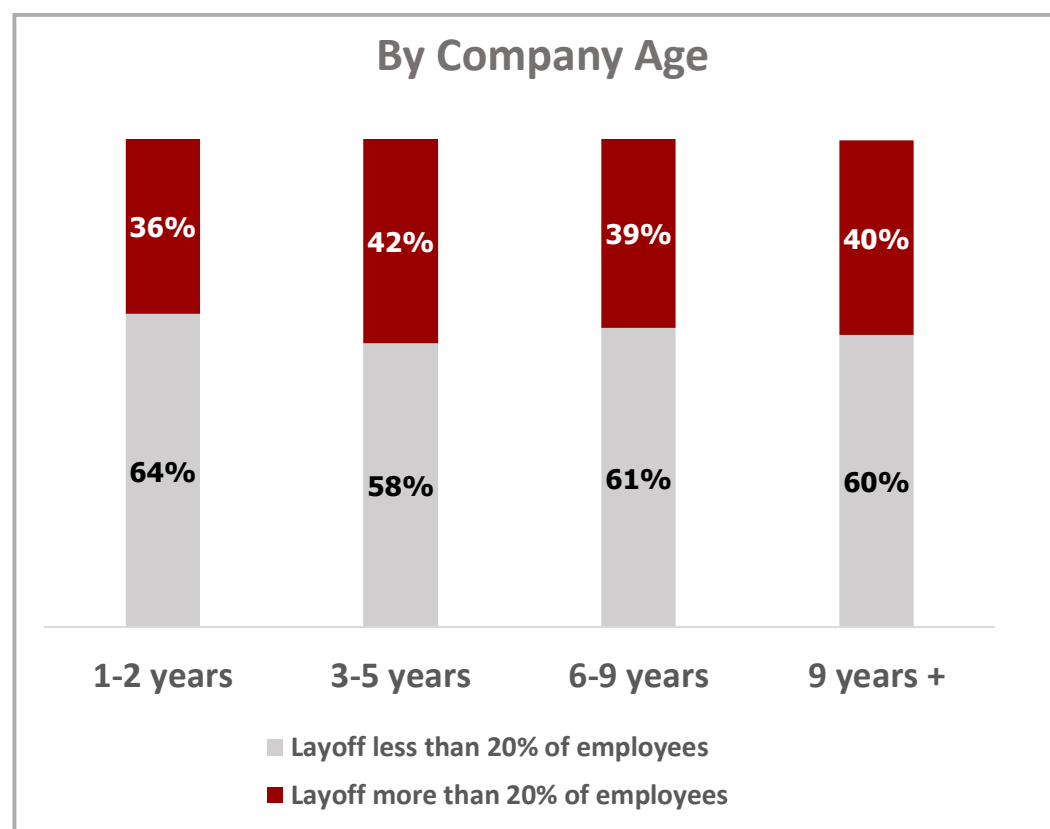
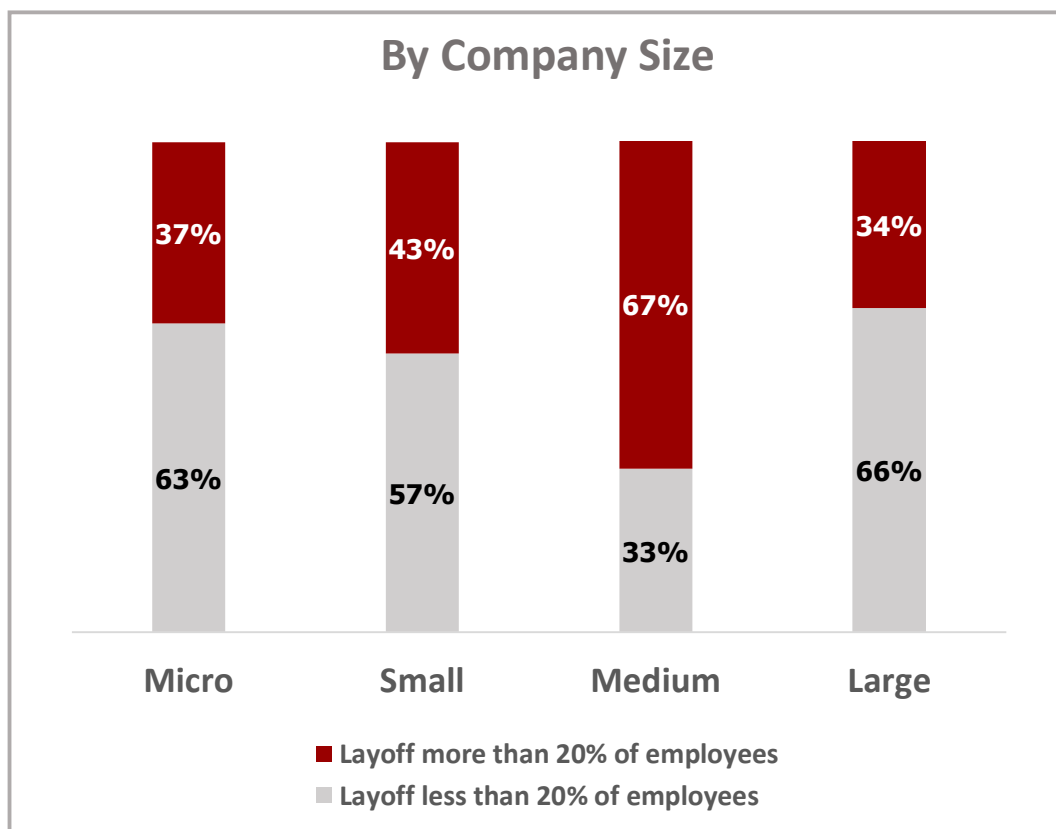
Percentage of Employees Expected to be Laid off During Upcoming Period

► **52%** of business owners from the tourism and hospitality sector and the transportation and logistics sector expect to layoff **more than 20% of their employees** during the upcoming period.

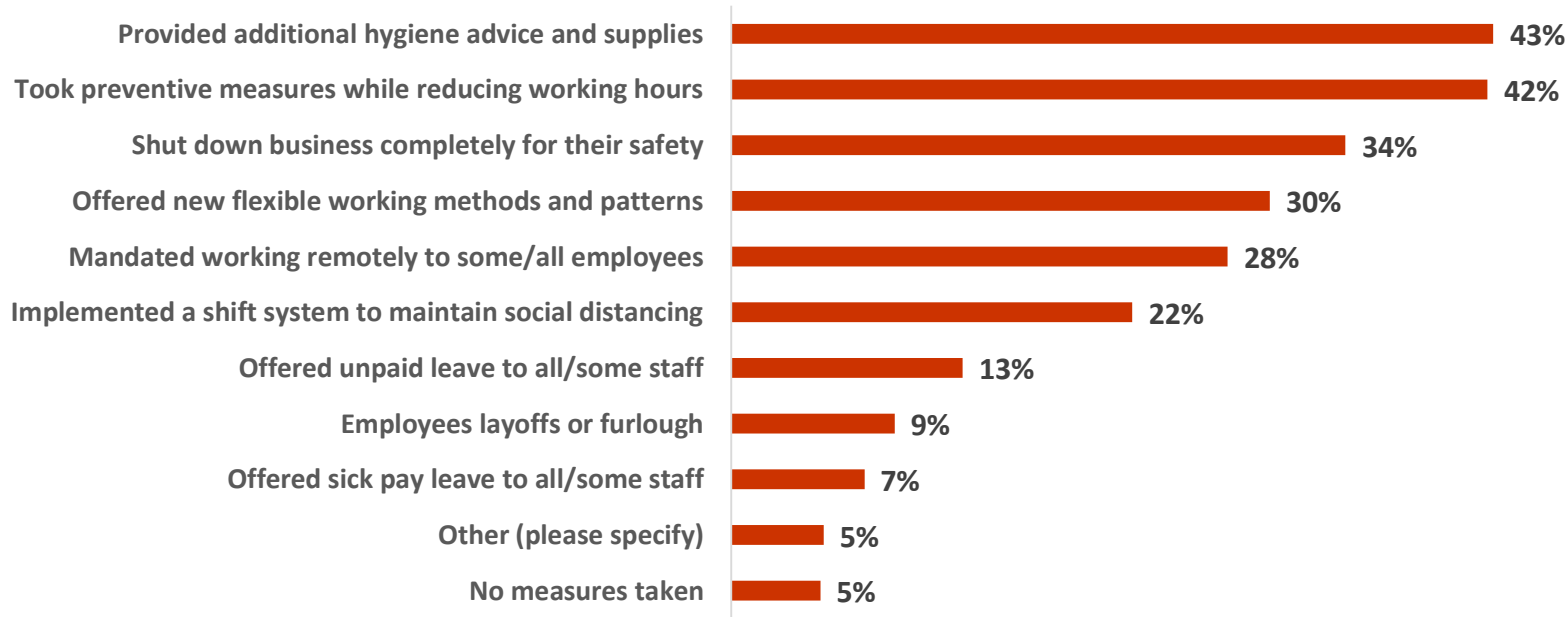
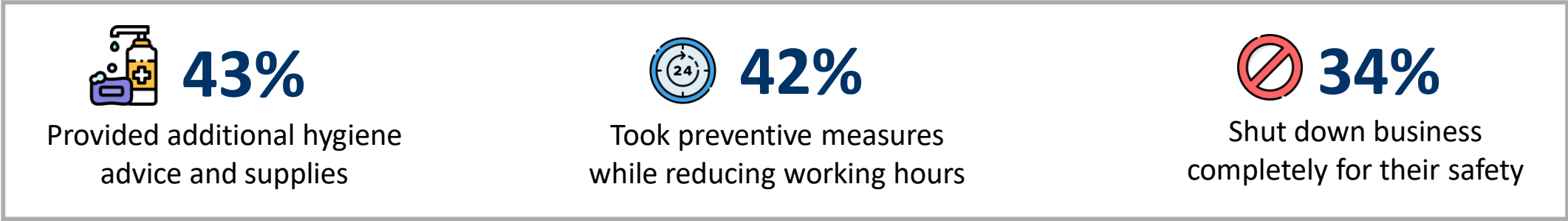


Percentage of Employees Expected to be Laid off During Upcoming Period

- **42%** of companies that are 3-5 years old and **67%** of medium sized companies expect to layoff **more than 20% of their employees during the upcoming period.**

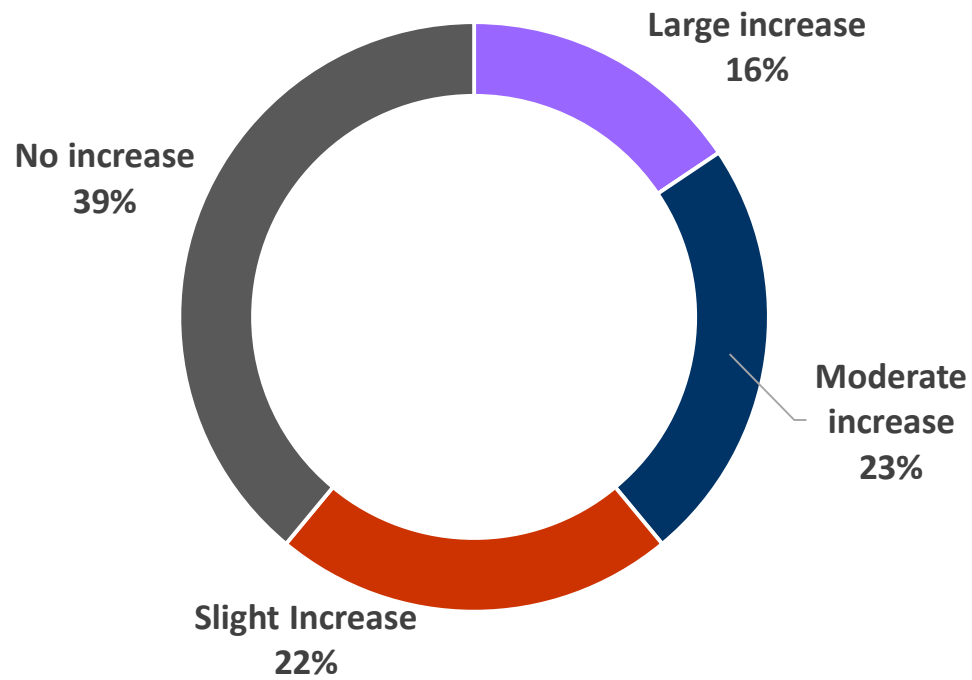


Measures Taken by Business Owners to Reduce Impact of Coronavirus on Employees



Growth of Payments through Electronic Platforms

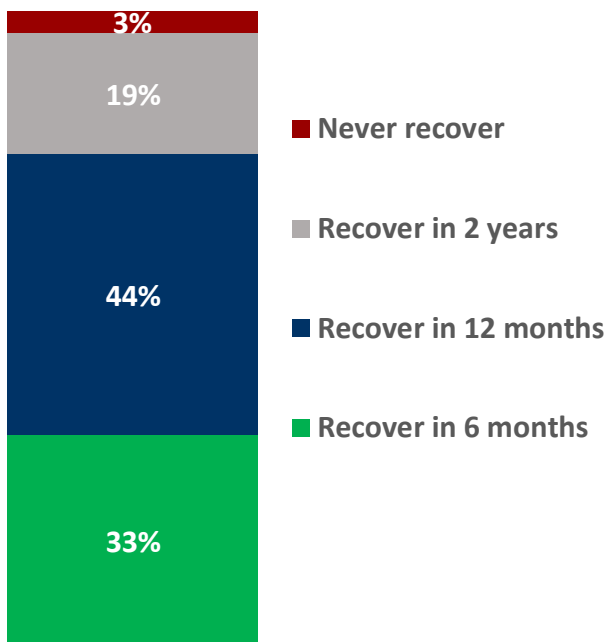
61% of business owners have reported an increase in electronic payments.



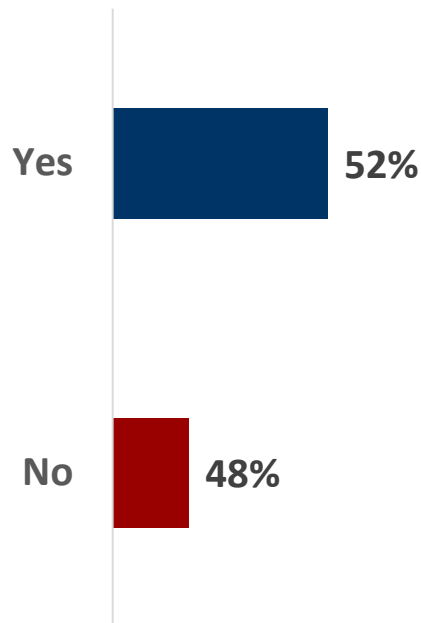
The Fawri+ and Fawri online payment services witnessed a noticeable increase on a monthly and annual basis. Additionally, the Fawateer service achieved a growth of **153.9%** in March 2020 compared to March 2019, and the value of financial payments conducted through this service reached **34 million BD**.

Business Owner Expectations for Business Recovery

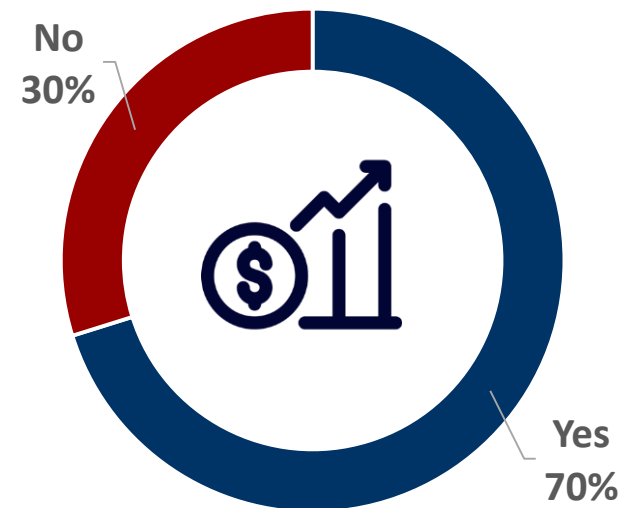
77% of business owners expect their business to recover within 12 months after the end of the pandemic, provided they overcome the pandemic.



52% of business owners plan to invest in their business in the next 24 months.



70% of business owners are optimistic about the recovery of the economy over the next 2-3 years



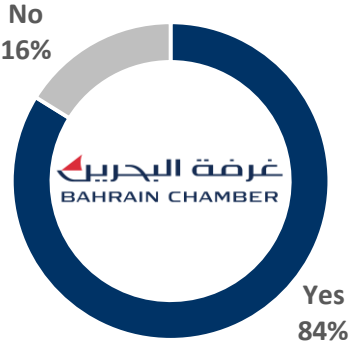
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Survey Results by Economic Sector

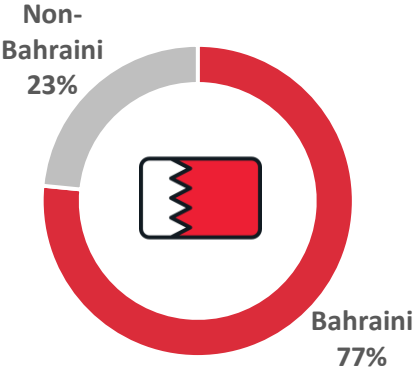
Commercial Markets Sector

Sector Participation in Survey: 36% 

84% of participants are Bahrain Chamber members.



77% of participants are Bahraini.



34% of participants have a sole proprietorship.



59%

Micro Companies



33%

Small Companies



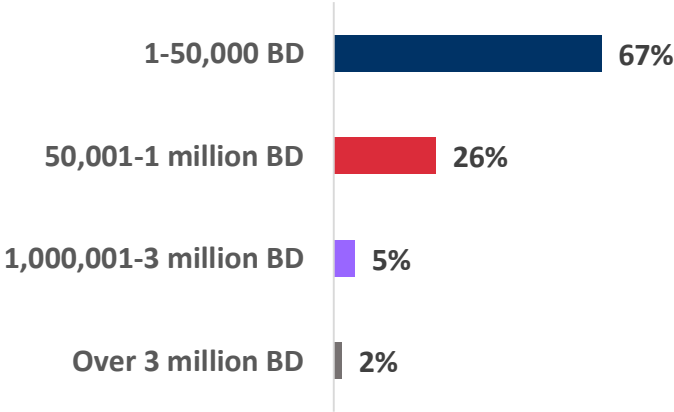
5%

Medium Companies



3%

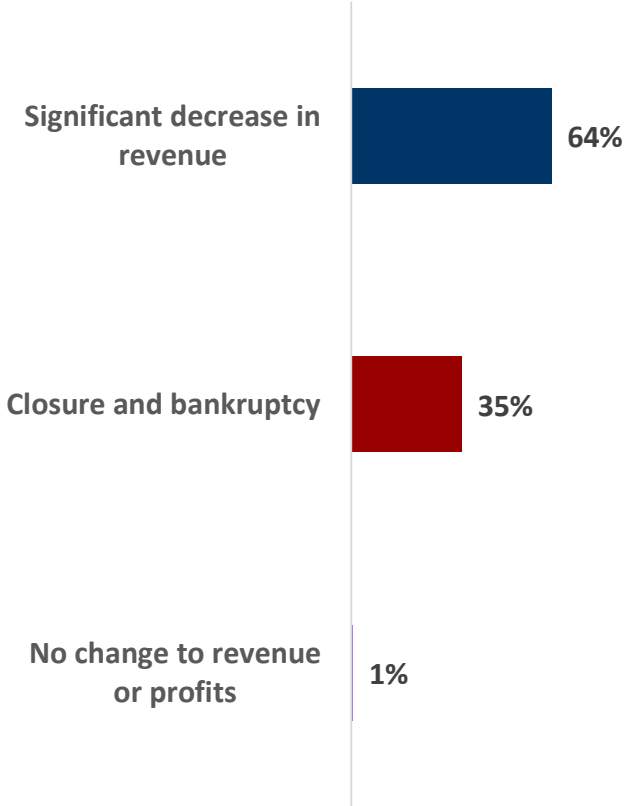
Large Companies



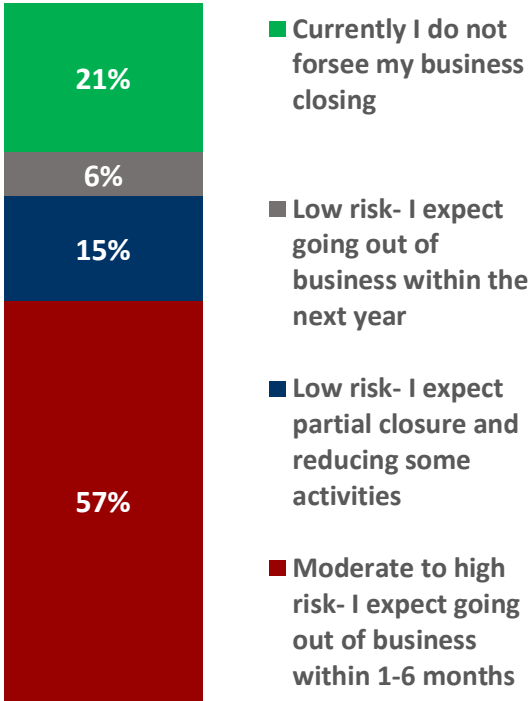
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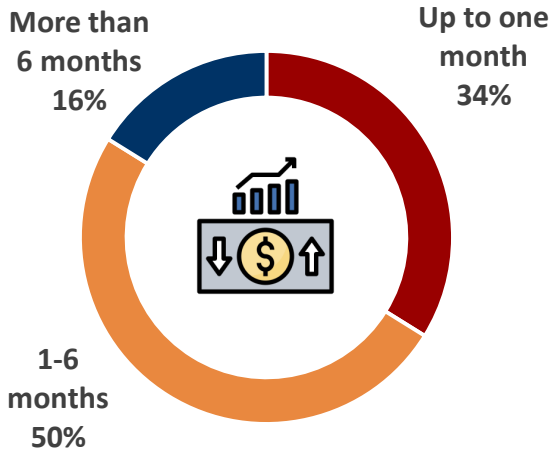
64% of business owners expect a significant decrease in revenue during the upcoming period.



57% of business owners expect the closure of their companies within the next 1-6 months.



50% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Commercial Markets Sector

Sector Participation in Survey: 36% 

93% of business owners have been impacted by the decision to close industrial and commercial businesses.



47%

Conduct work through digital means



58%

Delivery/takeaway services



33%

Considering new products/channels, or new approach to customer services

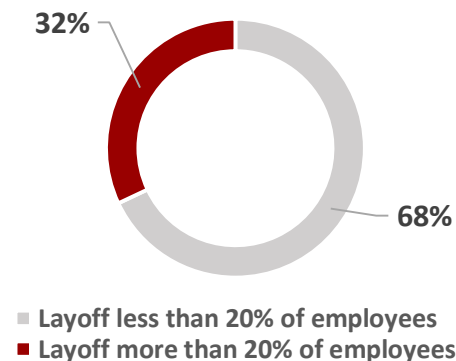


16%

Other

**Measures taken to ensure business continuity despite the closure decision.*

32% of business owners expect to layoff more than **20%** of employees in the upcoming period.



The main financial actions taken by business owners to manage cash flow.



51%

Delay payment of debt/financial receivables as much as possible



72%

Government support (Stimulus/Tamkeen/Liquidity Support Fund)



47%

Reduction of Operating Expenses (e.g. Salaries, training, marketing, inventory)

Measures taken by business owners to reduce the impact of coronavirus on their employees.



41%

Provided additional hygiene advice and supplies



47%

Took preventive measures while reducing working hours



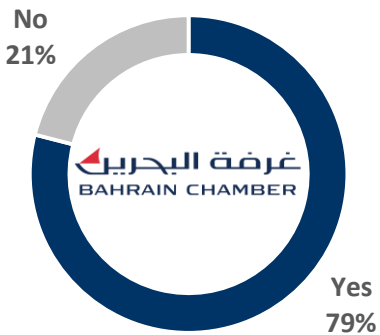
36%

Shut down business completely for their safety

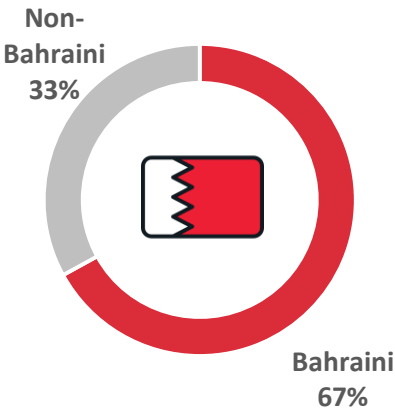
Tourism and Hospitality Sector

Sector Participation in Survey: 8% 

79% of participants are Bahrain Chamber members.



67% of participants are Bahraini.



41% of participants have a With Limited Liability Company (WLL).



39%
Micro Companies



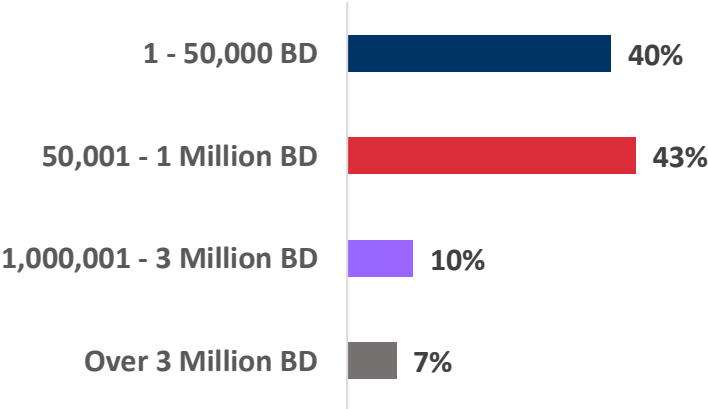
45%
Small Companies



5%
Medium Companies



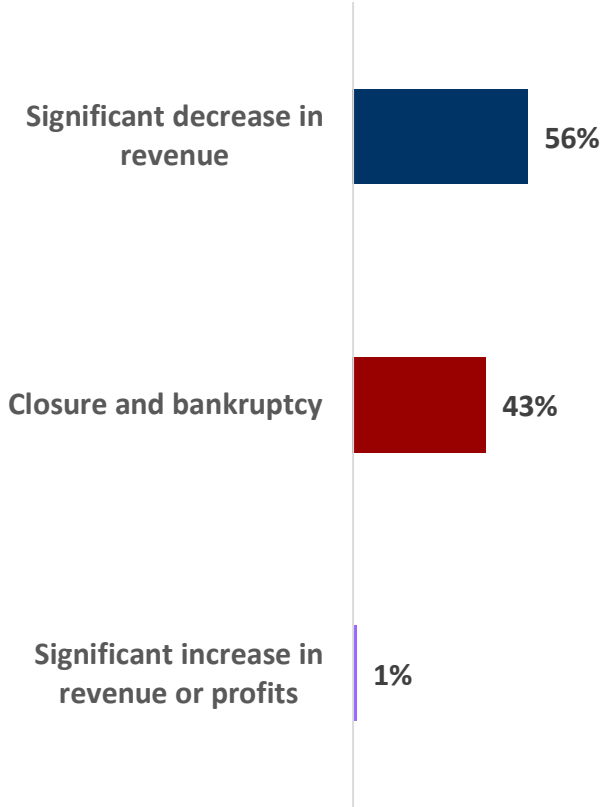
11%
Large Companies



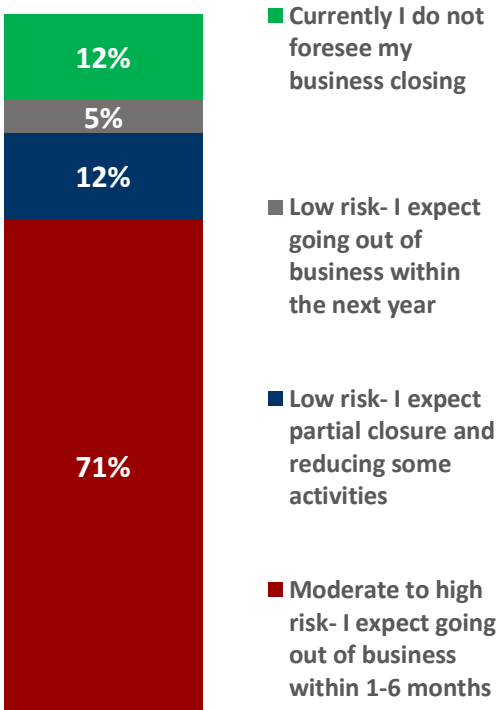
Tourism and Hospitality Sector

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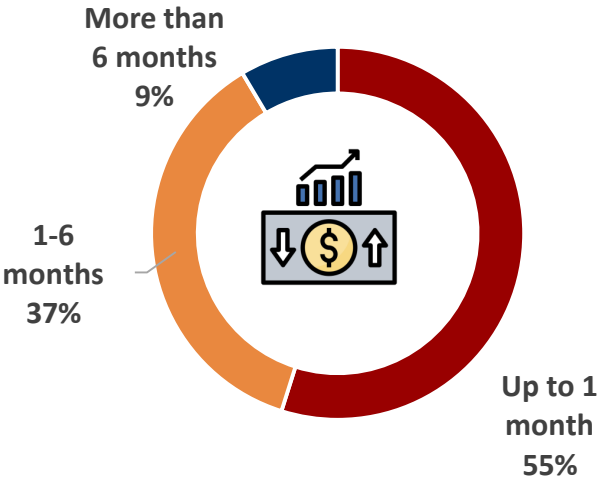
56% of business owners expect a significant decrease in revenue during the upcoming period.



71% of business owners expect the closure of their companies within the next 1-6 months.



55% of business owners expect their company's current cash flow to maintain their operations for only one month.



Tourism and Hospitality Sector

Sector Participation in Survey: 8% 

95% of business owners have been impacted by the decision to close industrial and commercial businesses.



31%

Conduct work through digital means



41%

Delivery/takeaway services



27%

Considering new products/channels, or new approach to customer services



35%

Other

**Measures taken to ensure business continuity despite the closure decision.*

The main financial actions taken by business owners to manage cash flow.



78%

Government support
(Stimulus/Tamkeen/Liquidity
Support Fund)



51%

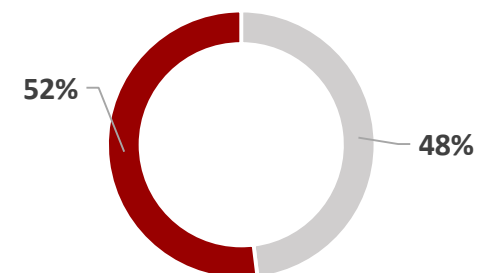
Delay payment of debt/financial
receivables as much as possible



63%

Reduction of Operating Expenses (e.g. Salaries,
training, marketing, inventory)

52% of business owners expect to layoff more than **20%** of employees in the upcoming period.



■ Lay off less than 20% of employees
■ Lay off more than 20% of employees

Measures taken by business owners to reduce the impact of coronavirus on their employees.



44%

Shut down business
completely for their safety



32%

Provided additional hygiene
advice and supplies



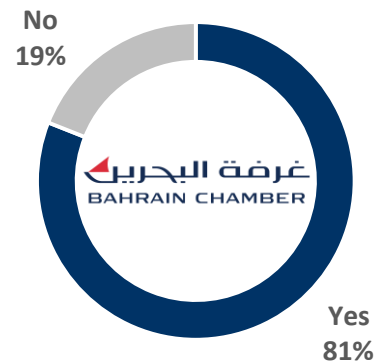
29%

Offered unpaid leave to
all/some staff

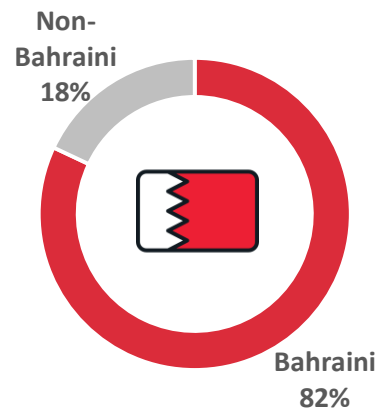
Food Wealth Sector (Restaurants & Cafes)

Sector Participation in Survey: 6% 

81% of participants are Bahrain Chamber members.



82% of participants are Bahraini.



39% of participants have a With Limited Liability (WLL) company.



39%
Micro Companies



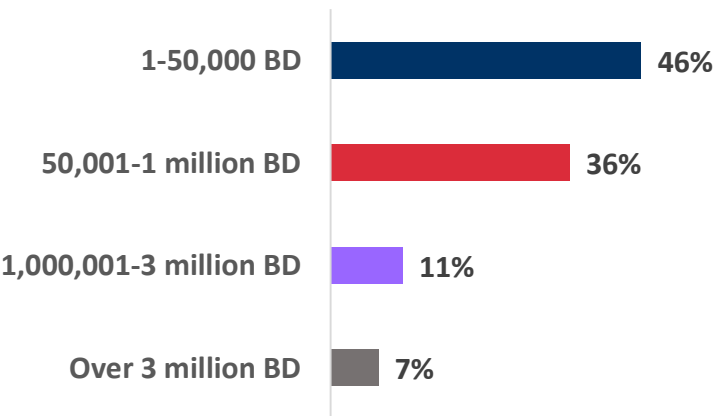
44%
Small Companies



9%
Medium Companies



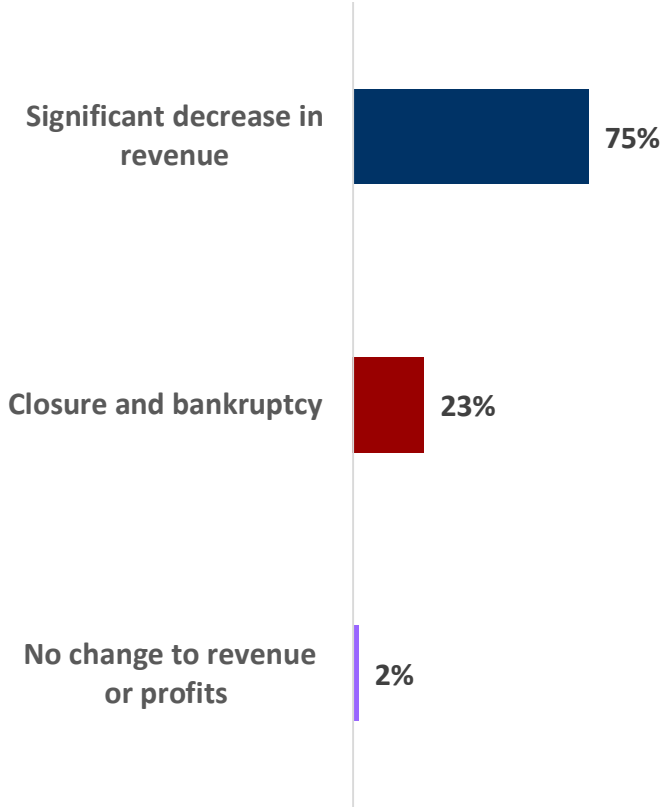
9%
Large Companies



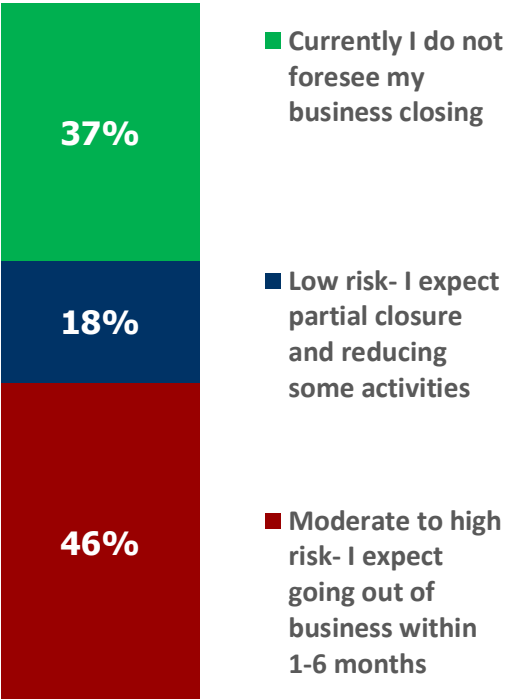
Food Wealth Sector (Restaurants & Cafes)

Sector Participation in Survey: 6% 

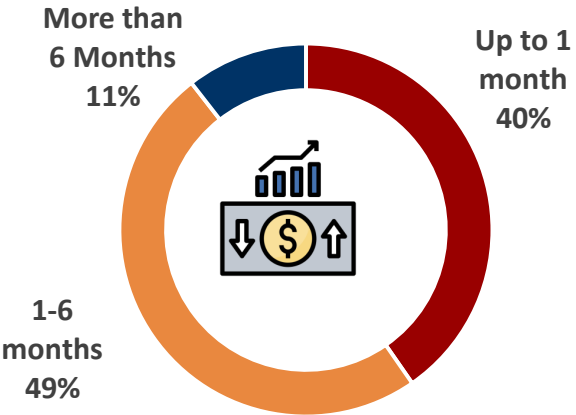
75% of business owners expect a significant decrease in revenue during the upcoming period.



46% of business owners expect the closure of their companies within the next 1-6 months.



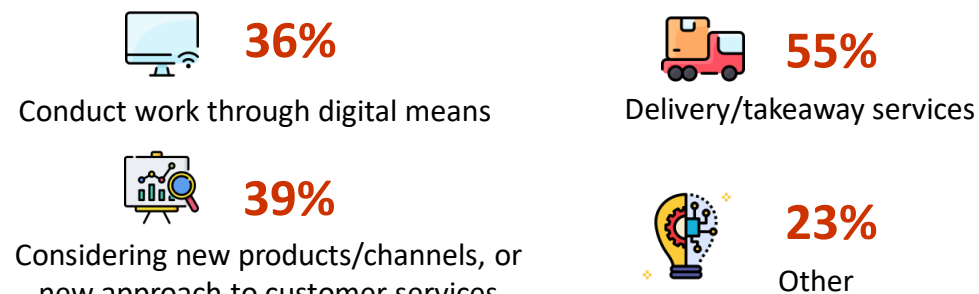
49% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Food Wealth Sector (Restaurants & Cafes)

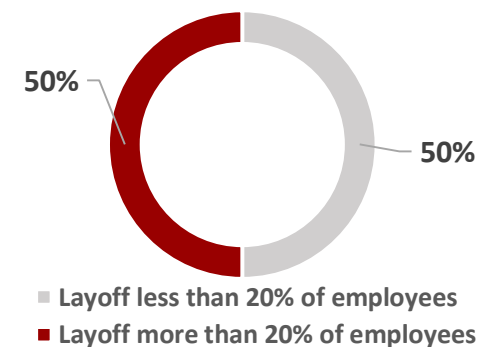
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67% of business owners impacted by the decision to close industrial and commercial businesses.

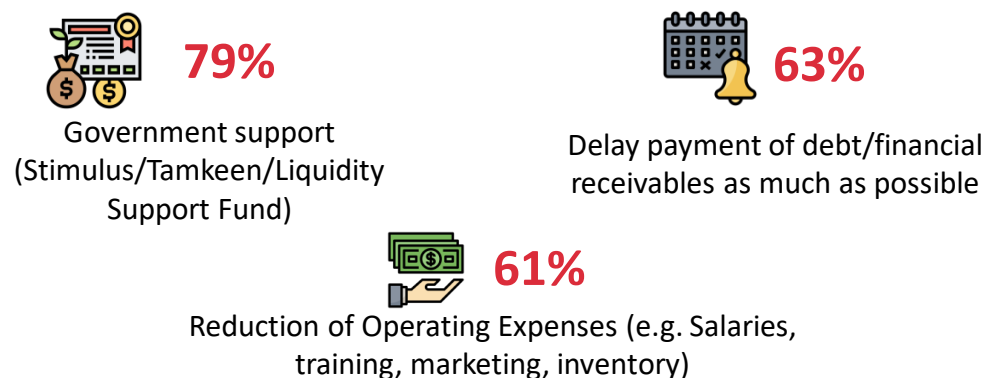


**Measures taken to ensure business continuity despite the closure decision.*

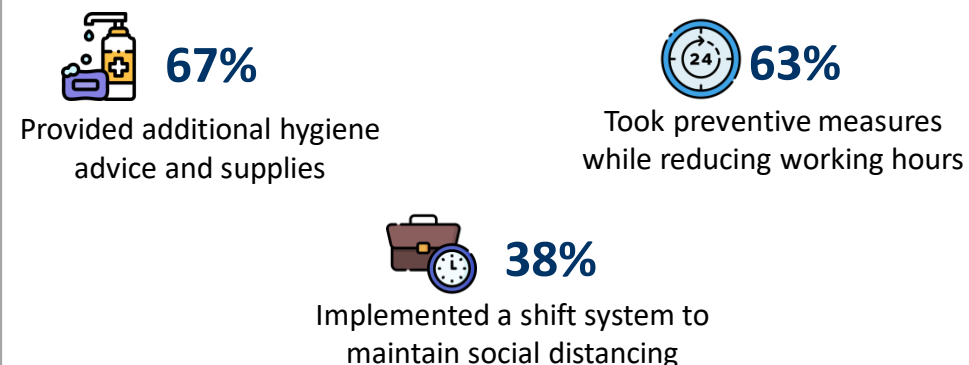
50% of business owners expect to layoff more than **20%** of employees in the upcoming period.



The main financial actions taken by business owners to manage cash flow.



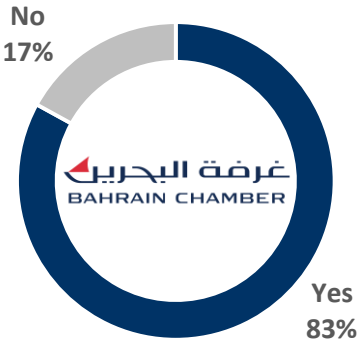
Measures taken by business owners to reduce the impact of coronavirus on their employees.



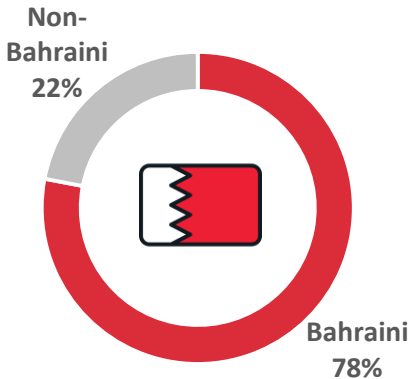
Education Sector (Training)

Sector Participation in Survey: 4% 

83% of participants are Bahrain Chamber members.



78% of participants are Bahraini.



46% of participants have a single person company.



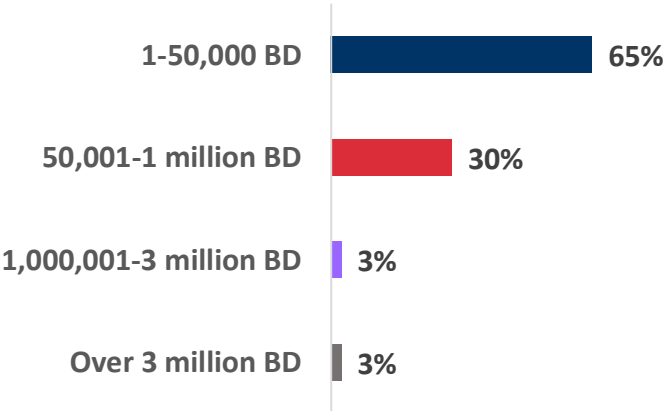
37%
Micro Companies



56%
Small Companies



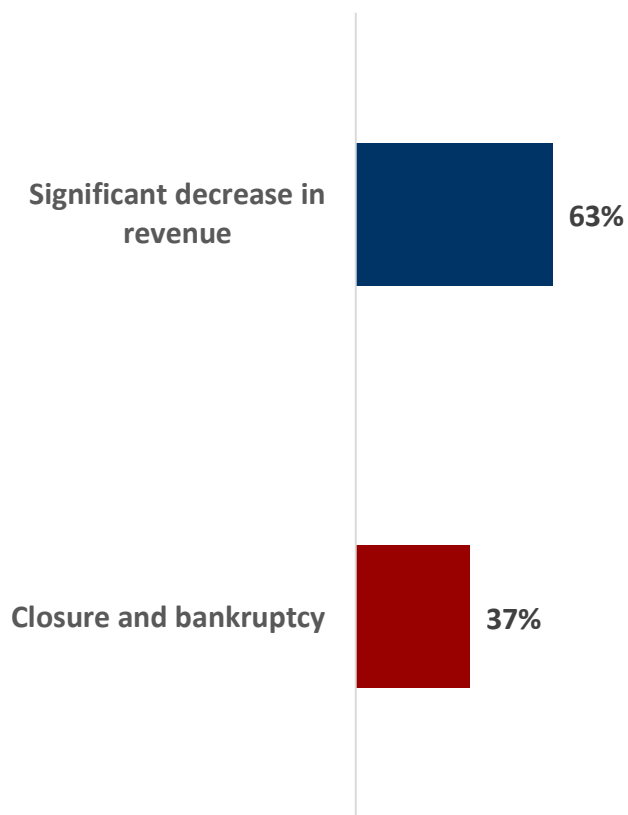
7%
Large Companies



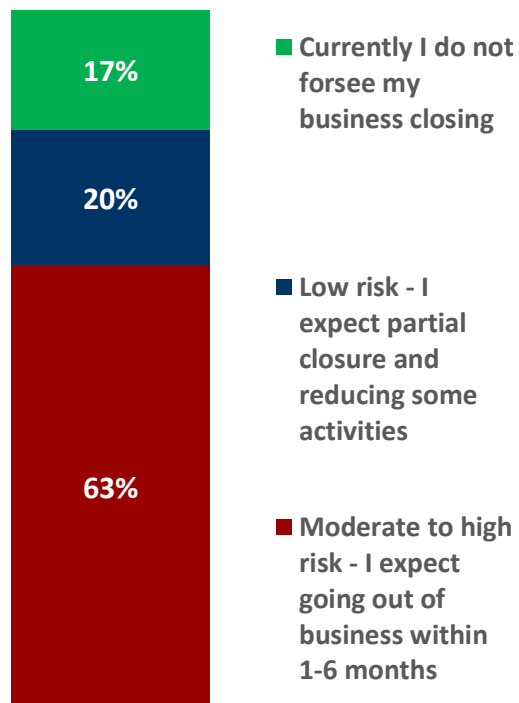
Education Sector (Training)

Sector Participation in Survey: 4% 

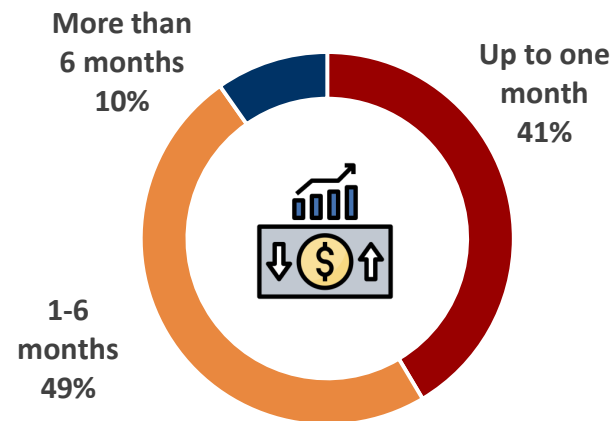
63% of business owners expect a significant decrease in revenue during the upcoming period.



63% of business owners expect the closure of their companies within the next 1-6 months.



49% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Education Sector (Training)

Sector Participation in Survey: 4% 

98% of business owners have been impacted by the decision to close industrial and commercial businesses.



51%

Conduct work through digital means



5%

Delivery/takeaway services



27%

Considering new products/channels, or new approach to customer services

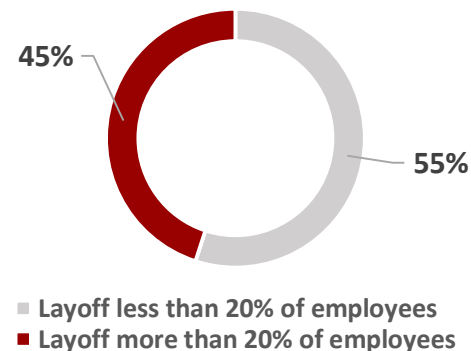


34%

Other

**Measures taken to ensure business continuity despite the closure decision.*

45% of business owners expect to layoff more than **20%** of employees in the upcoming period.



The main financial actions taken by business owners to manage cash flow.



71%

Government support (Stimulus/Tamkeen/Liquidity Support Fund)



66%

Reduction of Operating Expenses (e.g. Salaries, training, marketing, inventory)



39%

Delay payment of debt/financial receivables as much as possible

Measures taken by business owners to reduce the impact of coronavirus on their employees.



54%

Shut down business completely for their safety



37%

Mandated working remotely to some/all employees



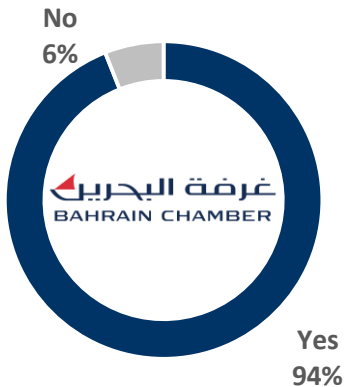
24%

Took preventive measures while reducing working hours

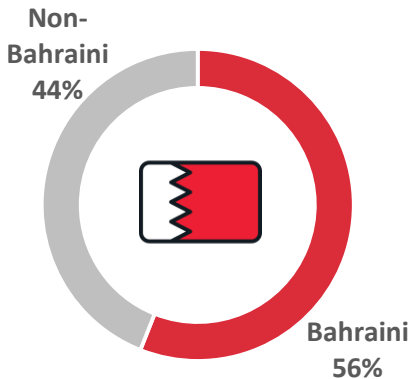
Industry and Energy Sector

Sector Participation in Survey: 9% 

94% of participants are Bahrain Chamber members.



56% of participants are Bahraini.



61% of participants have a With Limited Liability Company (WLL).



39%
Micro Companies



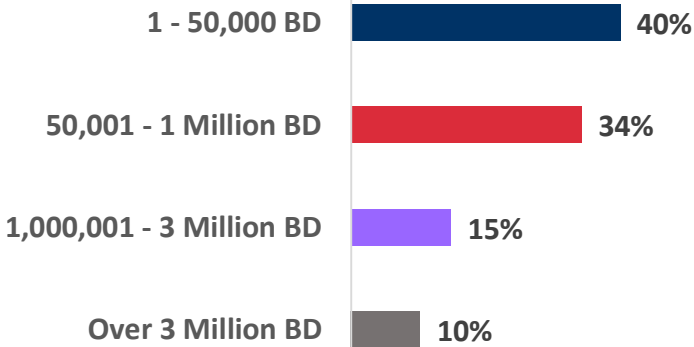
40%
Small Companies



8%
Medium Companies



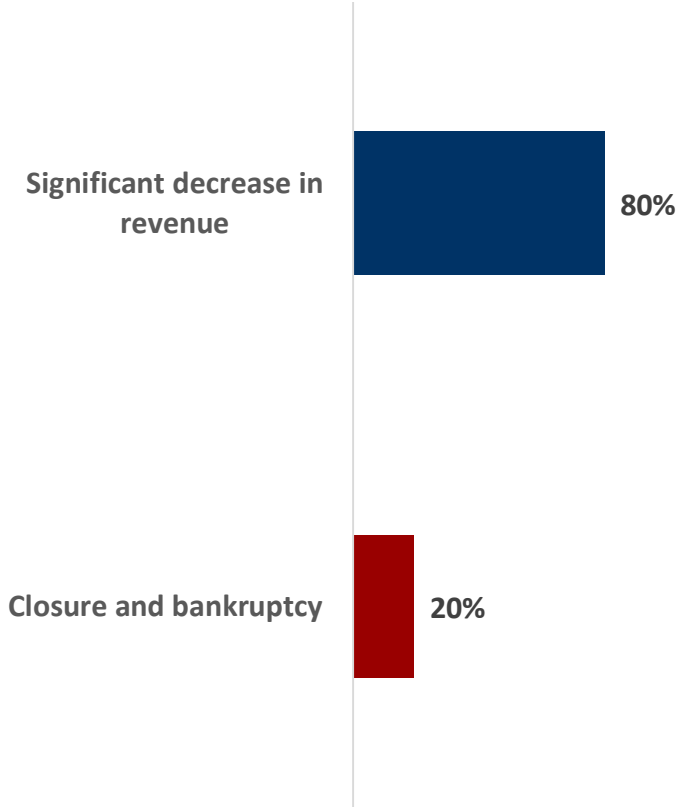
13%
Large Companies



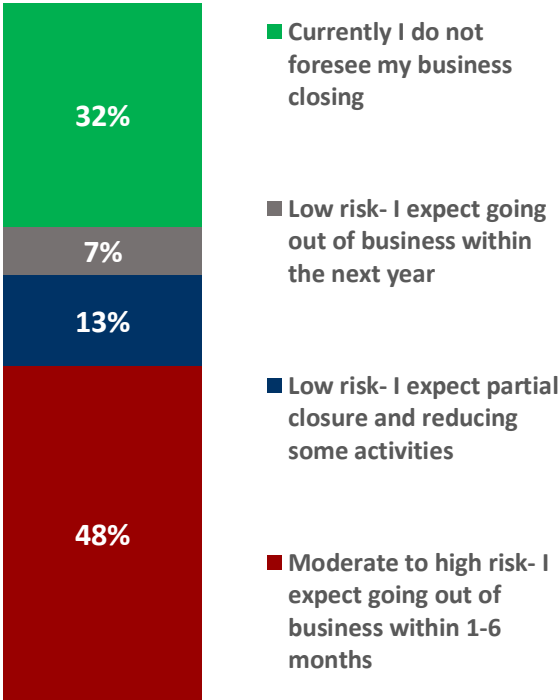
Industry and Energy Sector

Sector Participation in Survey: 9% 

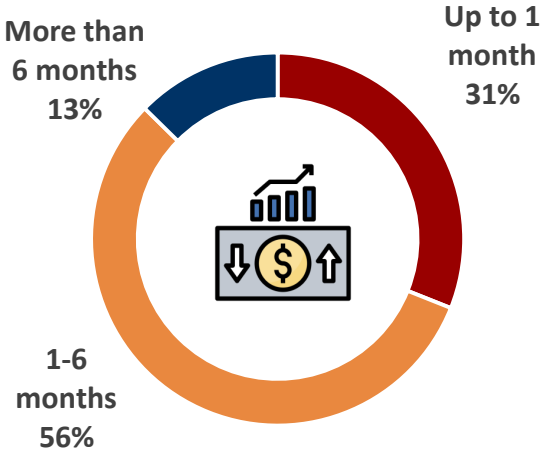
80% of business owners expect a significant decrease in revenue during the upcoming period.



48% of business owners expect the closure of their companies within the next 1-6 months.



56% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Industry and Energy Sector

Sector Participation in Survey: 9% 

64% of business owners have been impacted by the decision to close industrial and commercial businesses.



43%

Conduct work through digital means



43%

Considering new products/channels, or new approach to customer services



23%

Delivery/takeaway services

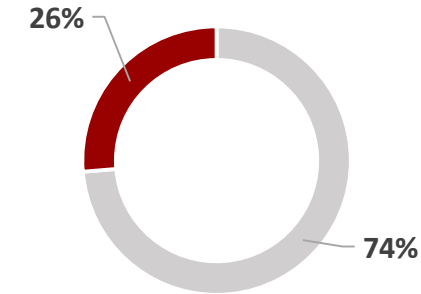


20%

Other

**Measures taken to ensure business continuity despite the closure decision.*

26% of business owners expect to layoff more than **20%** of employees in the upcoming period.



■ Layoff less than 20% of employees

■ Layoff more than 20% of employees

The main financial actions taken by business owners to manage cash flow.



71%

Government support
(Stimulus/Tamkeen/Liquidity
Support Fund)



53%

Delay payment of debt/financial
receivables as much as possible



61%

Reduction of Operating Expenses (e.g. Salaries,
training, marketing, inventory)

Measures taken by business owners to reduce the impact of coronavirus on their employees.



56%

Took preventive measures
while reducing working hours



59%

Provided additional hygiene
advice and supplies



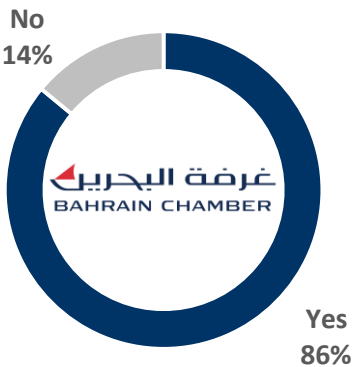
43%

Offered new flexible working
methods and patterns

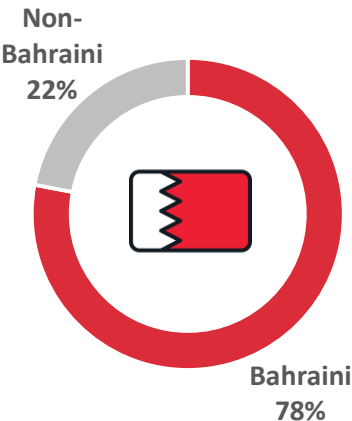
Real Estate and Construction Sector

Sector Participation in Survey: 16% 

86% of participants are Bahrain Chamber members.



78% of participants are Bahraini.



34% of participants have a With Limited Liability Company (WLL).



43%
Micro Companies



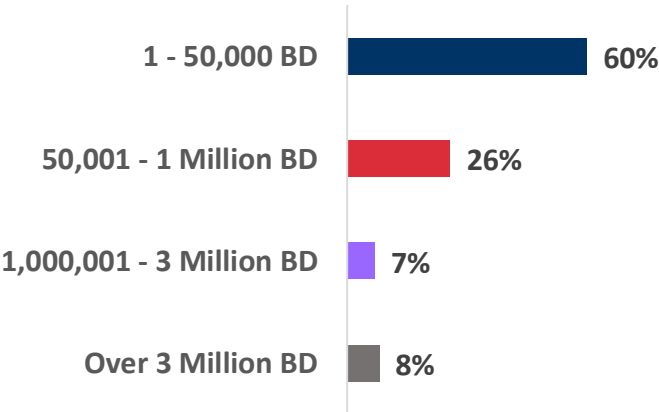
41%
Small Companies



7%
Medium Companies



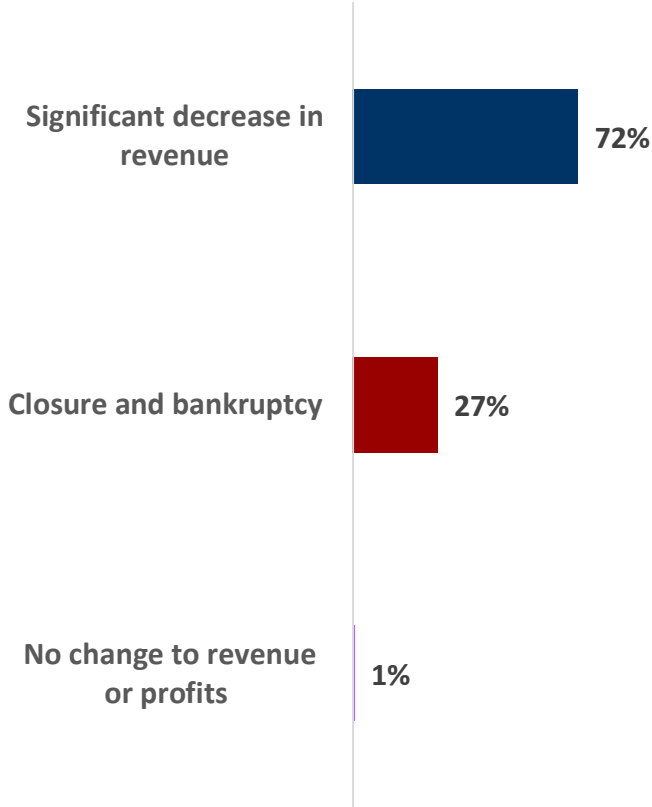
9%
Large Companies



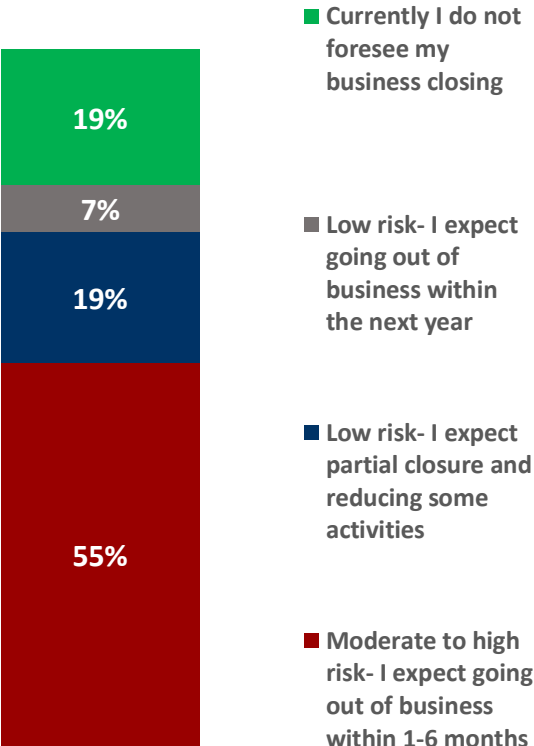
Real Estate and Construction Sector

Sector Participation in Survey: 16% 🏗️

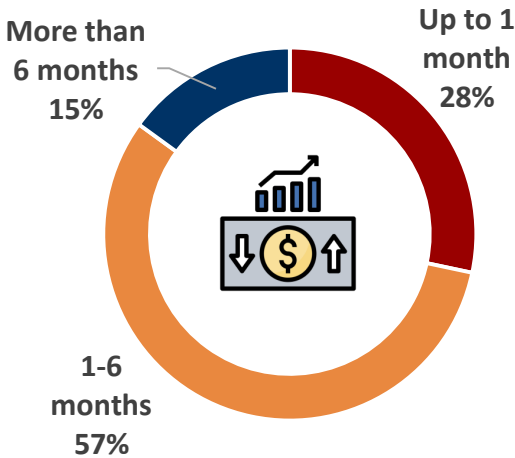
72% of business owners expect a significant decrease in revenue during the upcoming period.



55% of business owners expect the closure of their companies within the next 1-6 months.



57% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Real Estate and Construction Sector

Sector Participation in Survey: 16% 

76% of business owners have been impacted by the decision to close industrial and commercial businesses.



50%

Conduct work through digital means



15%

Delivery/takeaway services



36%

Considering new products/channels, or new approach to customer services

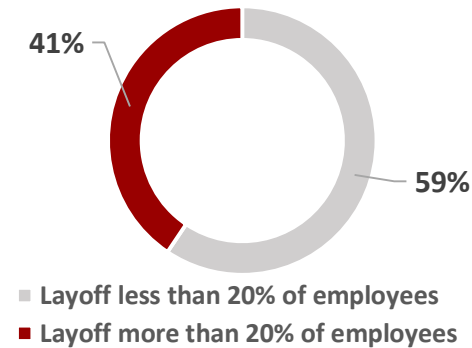


28%

Other

**Measures taken to ensure business continuity despite the closure decision.*

41% of business owners expect to layoff more than **20%** of employees in the upcoming period.



The main financial actions taken by business owners to manage cash flow.



66%

Government support
(Stimulus/Tamkeen/Liquidity
Support Fund)



47%

Delay payment of debt/financial
receivables as much as possible



52%

Reduction of Operating Expenses (e.g. Salaries,
training, marketing, inventory)

Measures taken by business owners to reduce the impact of coronavirus on their employees.



49%

Took preventive measures
while reducing working hours



42%

Provided additional hygiene
advice and supplies



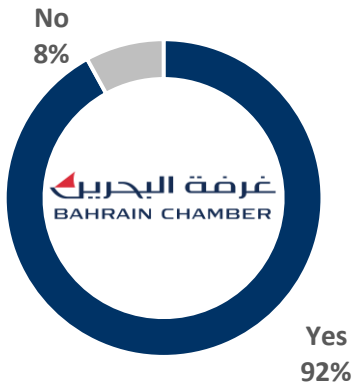
34%

Offered new flexible working
methods and patterns

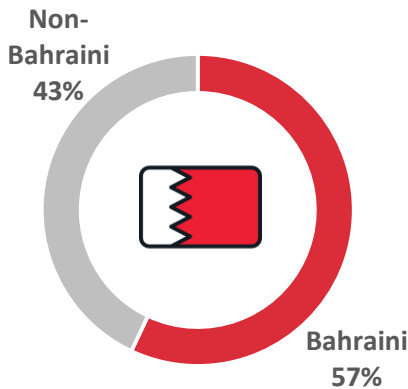
Technology Sector

Sector Participation in Survey: 6% 

92% of participants are Bahrain Chamber members.



57% of participants are Bahraini.



48% of participants have a With Limited Liability Company (WLL).



73%
Micro Companies



24%
Small Companies



3%
Medium Companies

1 - 50,000 BD 73%

50,001 - 1 Million BD 19%

1,000,001 - 3 Million BD 5%

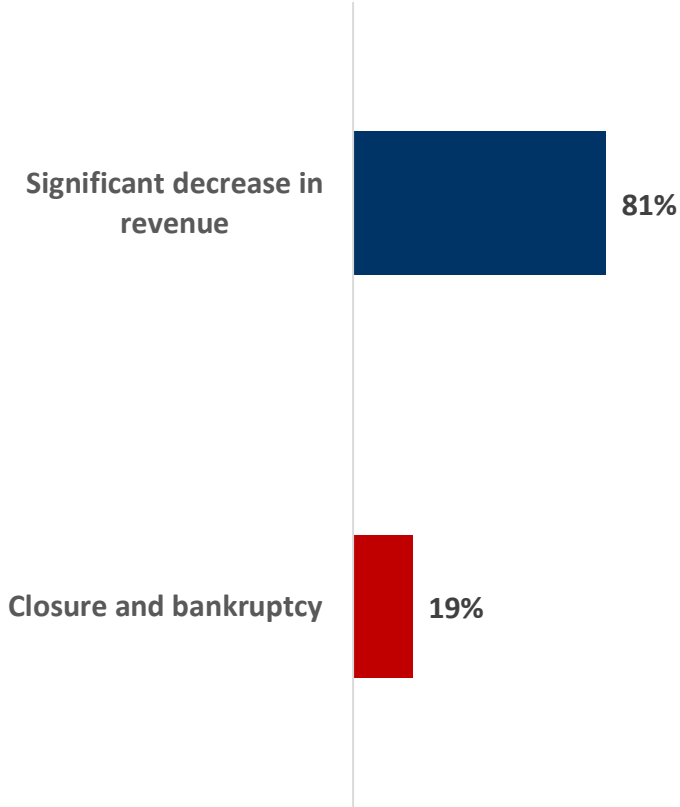
Over 3 Million BD 3%

Technology Sector

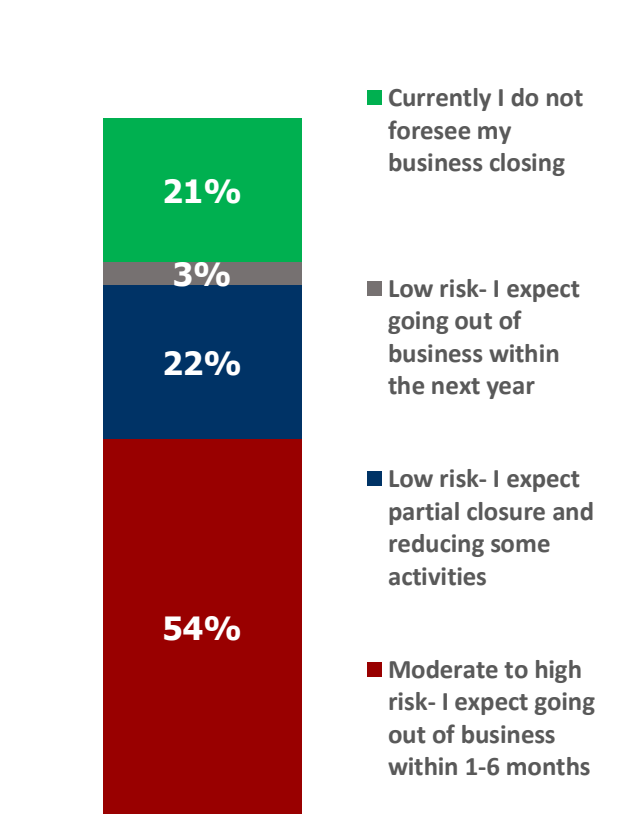
Sector Participation in Survey: 6%



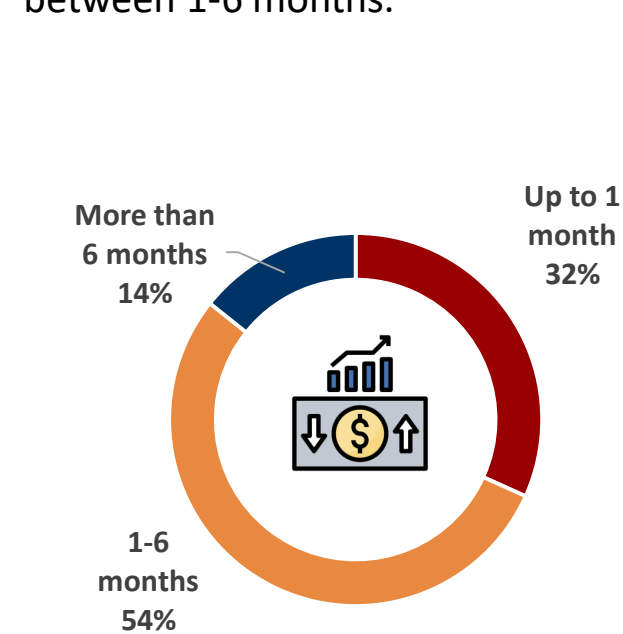
81% of business owners expect a significant decrease in revenue during the upcoming period.



54% of business owners expect the closure of their companies within the next 1-6 months.



54% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Technology Sector

Sector Participation in Survey: 6% 

84% of business owners have been impacted by the decision to close industrial and commercial businesses.



75%

Conduct work through digital means



30%

Delivery/takeaway services



48%

Considering new products/channels, or new approach to customer services

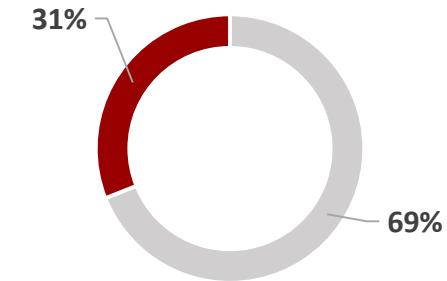


11%

Other

**Measures taken to ensure business continuity despite the closure decision.*

31% of business owners expect to layoff more than **20%** of employees in the upcoming period.



■ Layoff less than 20% of employees

■ Layoff more than 20% of employees

The main financial actions taken by business owners to manage cash flow.



73%

Government support (Stimulus/Tamkeen/Liquidity Support Fund)



51%

Delaying or cancelling planned investments



56%

Reduction of Operating Expenses (e.g. Salaries, training, marketing, inventory)

Measures taken by business owners to reduce the impact of coronavirus on their employees.



52%

Mandated working remotely to some/all employees



44%

Offered new flexible working methods and patterns



40%

Provided additional hygiene advice and supplies



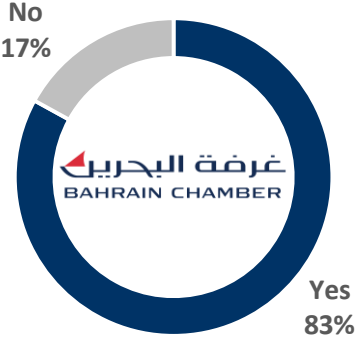
40%

Took preventive measures while reducing working hours

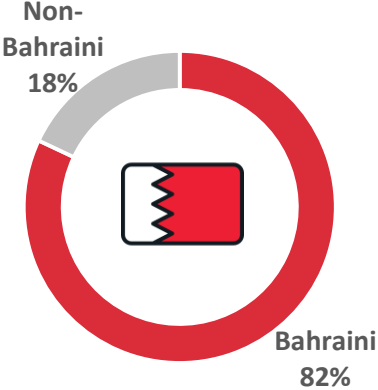
Health Sector

Sector Participation in Survey: 5% 

83% of participants are Bahrain Chamber members.



82% of participants are Bahraini.



33% of participants have a With Limited Liability Company (WLL).



30%
Micro Companies



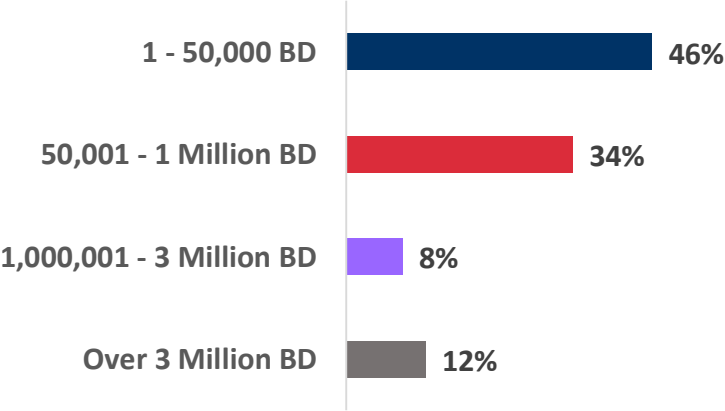
45%
Small Companies



12%
Medium Companies



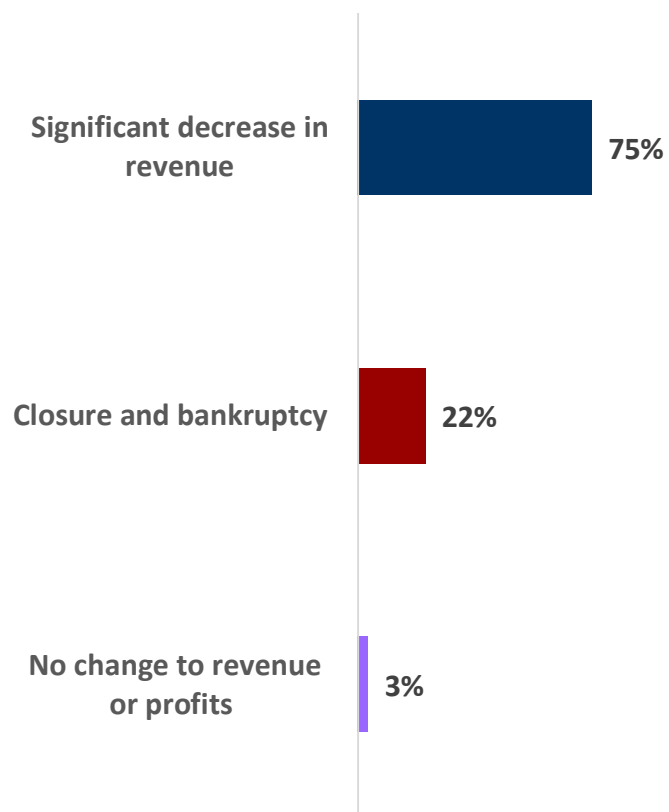
13%
Large Companies



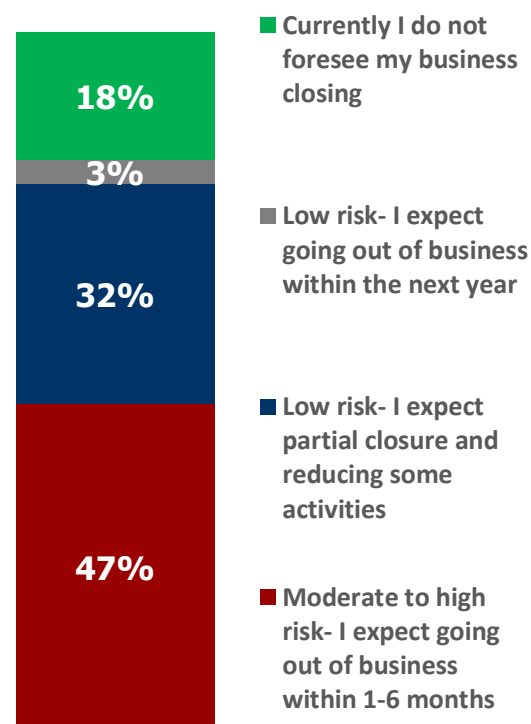
Health Sector

Sector Participation in Survey: 5% 

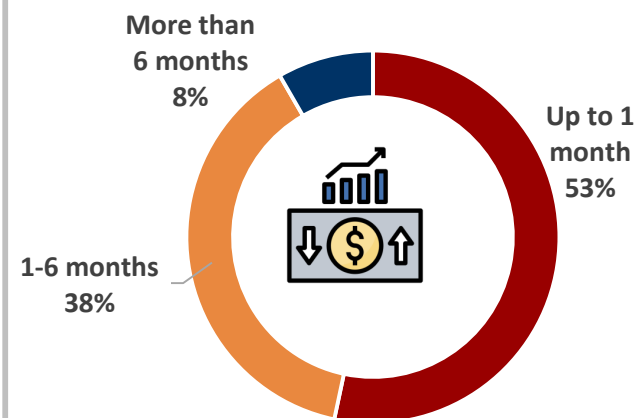
75% of business owners expect a significant decrease in revenue during the upcoming period.



47% of business owners expect the closure of their companies within the next 1-6 months.



53% of business owners expect their company's current cash flow to maintain their for only 1 month.



Health Sector

Sector Participation in Survey: 5% 

80% of business owners have been impacted by the decision to close industrial and commercial businesses.



40%

Conduct work through digital means



21%

Delivery/takeaway services



30%

Considering new products/channels, or new approach to customer services

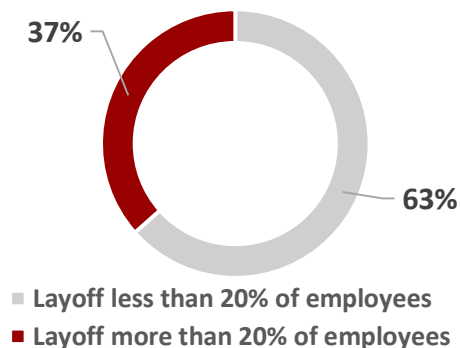


47%

Other

***Measures taken to ensure business continuity despite the closure decision.**

37% of business owners expect to layoff more than **20%** of employees in the upcoming period.



The main financial actions taken by business owners to manage cash flow.



77%

Government support (Stimulus/Tamkeen/Liquidity Support Fund)



48%

Delaying or cancelling planned investments



73%

Reduction of Operating Expenses (e.g. Salaries, training, marketing, inventory)

Measures taken by business owners to reduce the impact of coronavirus on their employees.



65%

Took preventive measures while reducing working hours



58%

Provided additional hygiene advice and supplies



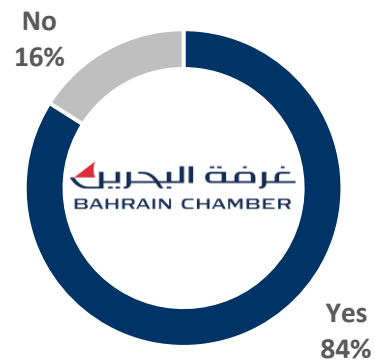
41%

Offered new flexible working methods and patterns

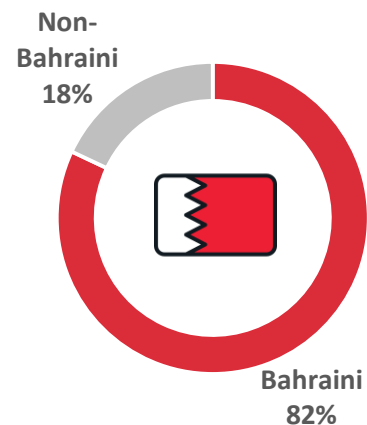
Transportation and Logistics Sector

Sector Participation in Survey: 4% 

84% of participants are Bahrain Chamber members.



82% of participants are Bahraini.



37% of participants have a Single Person Company.



43%
Micro Companies



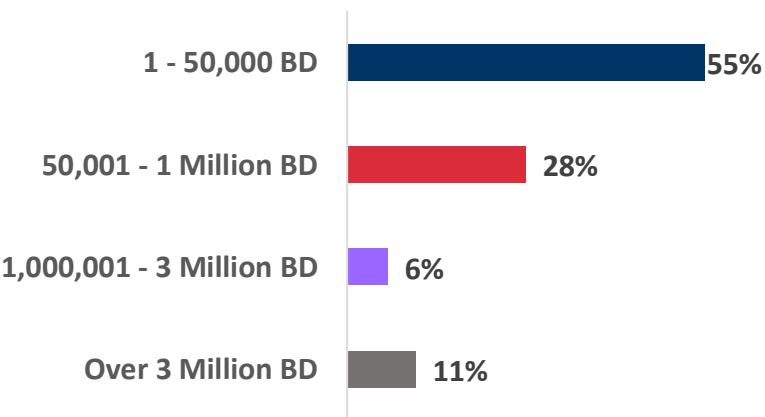
37%
Small Companies



8%
Medium Companies



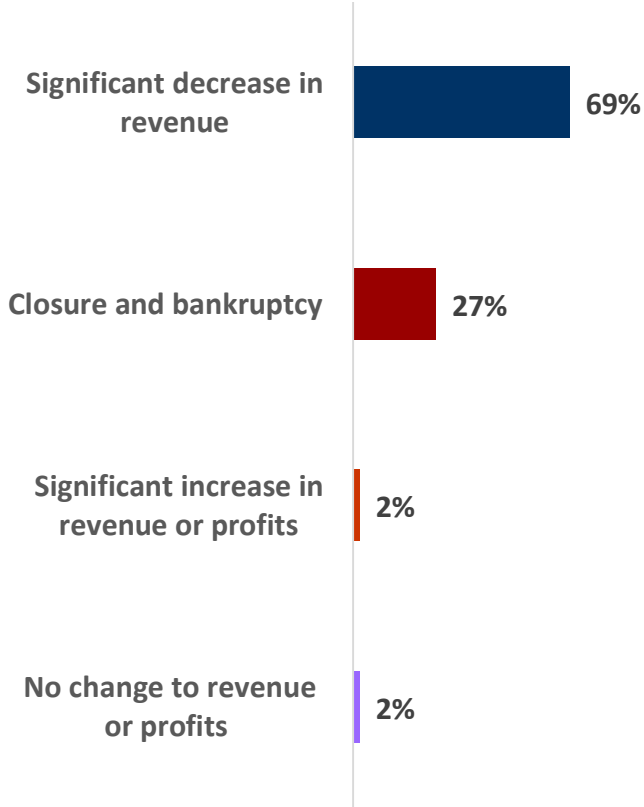
12%
Large Companies



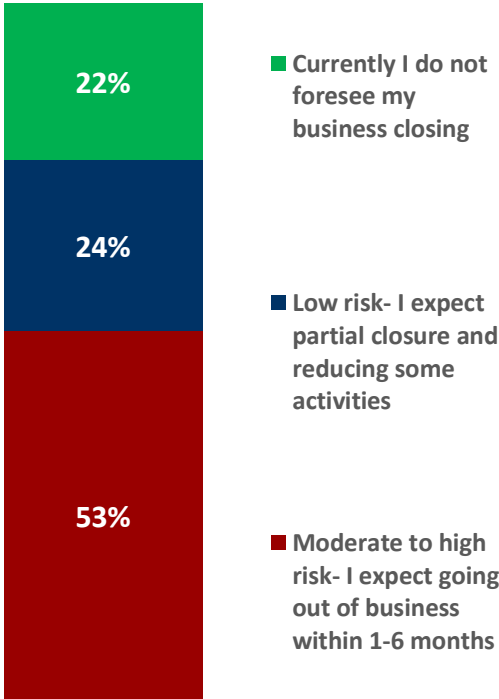
Transportation and Logistics Sector

Sector Participation in Survey: 4% 

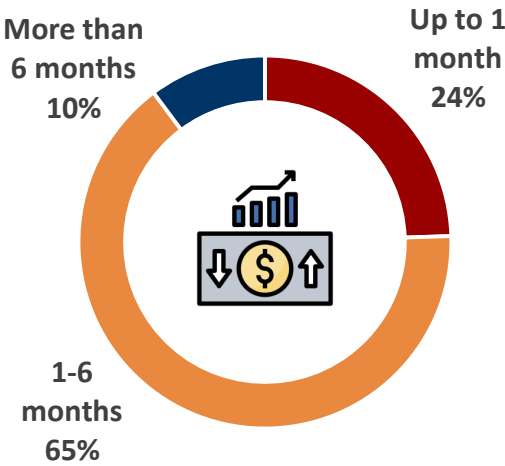
69% of business owners expect a significant decrease in revenue during the upcoming period.



53% of business owners expect the closure of their companies within the next 1-6 months.



65% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Transportation and Logistics Sector

Sector Participation in Survey: 4% 

76% of business owners have been impacted by the decision to close industrial and commercial businesses.



38%

Conduct work through digital means



30%

Delivery/takeaway services



33%

Considering new products/channels,
or new approach to customer services

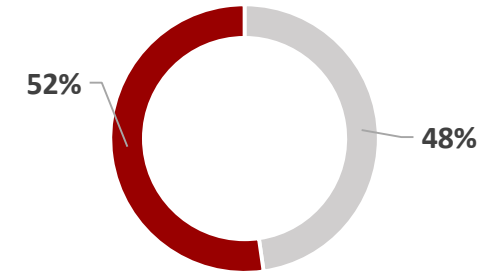


30%

Other

**Measures taken to ensure business continuity despite the closure decision.*

52% of business owners expect to layoff more than **20%** of employees in the upcoming period.



■ Layoff less than 20% of employees

■ Layoff more than 20% of employees

The main financial actions taken by business owners to manage cash flow.



80%

Government support
(Stimulus/Tamkeen/Liquidity
Support Fund)



41%

Delay payment of debt/financial
receivables as much as possible



61%

Reduction of Operating Expenses (e.g. Salaries,
training, marketing, inventory)

Measures taken by business owners to reduce the impact of coronavirus on their employees.



57%

Provided additional hygiene
advice and supplies



51%

Took preventive measures
while reducing working hours



45%

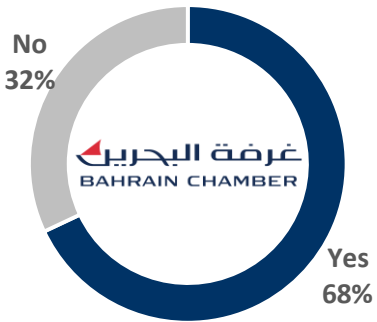
Mandated working remotely
to some/all employees



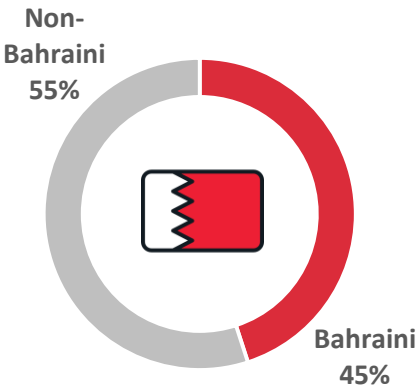
Finance, Insurance, and Tax Sector

Sector Participation in Survey: 6% 

68% of participants are Bahrain Chamber members.



45% of participants are Bahraini.



55% of participants have a With Limited Liability (WLL) company.



36%
Micro Companies



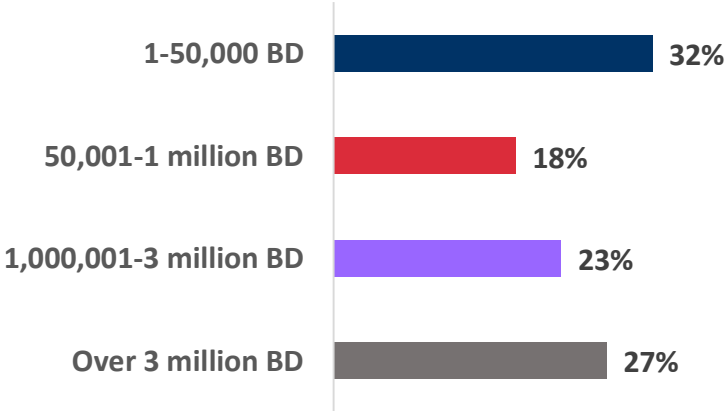
36%
Small Companies



9%
Medium Companies



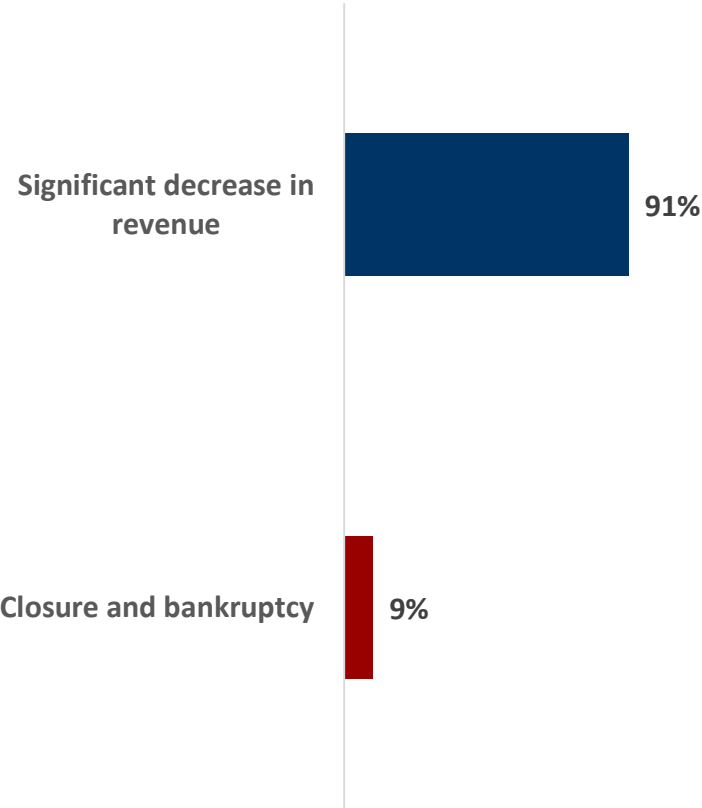
18%
Large Companies



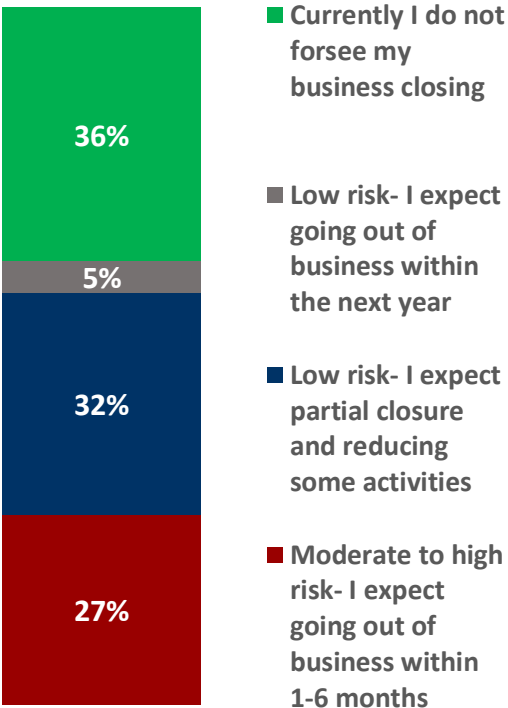
Finance, Insurance, and Tax Sector

Sector Participation in Survey: 6% 

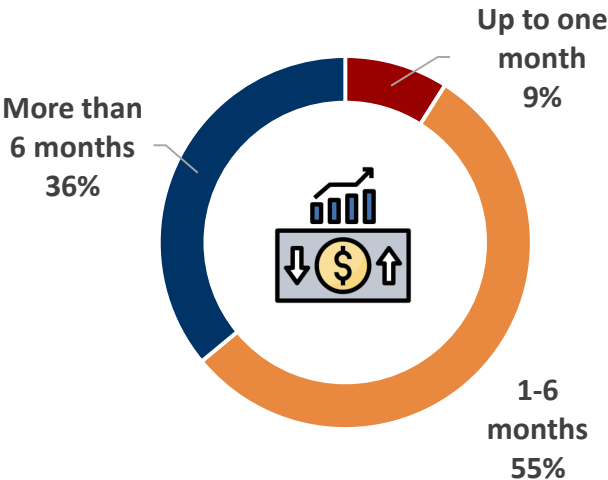
91% of business owners expect a significant decrease in revenue during the upcoming period.



36% of business owners do not currently foresee their businesses closing.



55% of business owners expect their company's current cash flow to maintain their operations between 1-6 months.



Finance, Insurance, and Tax Sector

Sector Participation in Survey: 6% 

50% of business owners have been impacted by the decision to close industrial and commercial businesses.



74%

Conduct work through digital means



11%

Delivery/takeaway services



47%

Considering new products/channels, or new approach to customer services

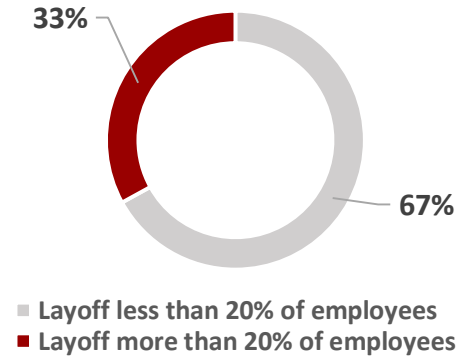


5%

Other

**Measures taken to ensure business continuity despite the closure decision.*

33% of business owners expect to layoff more than 20% of employees in the upcoming period.



The main financial actions taken by business owners to manage cash flow.



55%

Government support (Stimulus/Tamkeen/Liquidity Support Fund)



55%

Reduction of Operating Expenses (e.g. Salaries, training, marketing, inventory)



36%

Delaying or cancelling planned investments

Measures taken by business owners to reduce the impact of coronavirus on their employees.



68%

Mandated working remotely to some/all employees



45%

Offered new flexible working methods and patterns



41%

Took preventive measures while reducing working hours

03

Business Sustainability Tips for Business Owners

Business Sustainability Tips for Business Owners

1

Reallocate surpluses earned due to delaying the payment of installments for a period of 6 months, and delay the benefits and utilize them at the present time.

4

Comprehensively review contracts and obligations and align them with the outcome of the crisis, and develop solutions to ensure the company does not face short-term bankruptcy or legal threats arising from non-compliance.

2

Allocate spending carefully and develop a flexible plan that takes into account all possible scenarios.

5

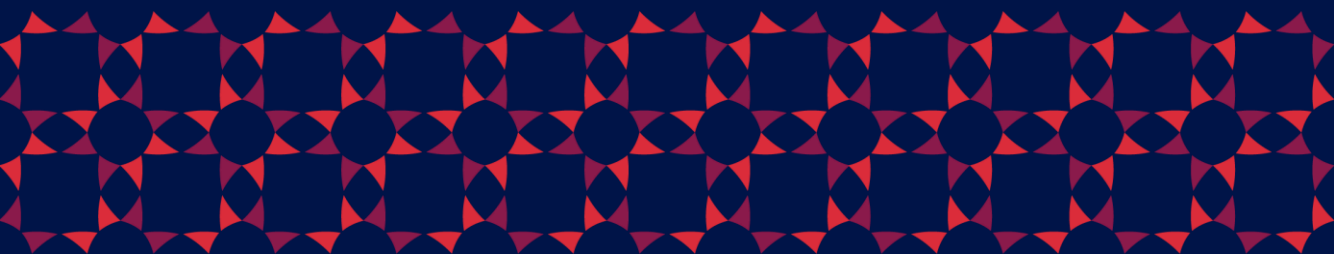
Benefit from interns, and rotate employees as needed instead of laying them off.

3

Radically transform the company's marketing strategy, and develop new plans that are aligned with the period following the recession.

6

Practice caution in carrying out employee layoffs, because this leads to a company incurring indirect costs that exceed the potential compensation, due to the cost of searching for labor alternatives.



Thank You

BahrainChamber.bh