



Office of the Premier

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COVID-19 BUSINESS IMPACT ASSESSMENT REPORT

The Trade and Quality Infrastructure Division, Office of The Premier successfully conducted an Impact Assessment for the Private Sector of Montserrat, following the rise of the COVID-19/ CoronaVirus pandemic. The assessment was conducted during the period March 25th to April 13th, 2020.

Reportedly, two hundred & eighty-five (285) businesses participated in the activity, representative of thirty-one (31) different industries across the Montserrat economy. These industries provide employment for an approximated eleven hundred (1100) individuals on a full time and part time basis.

On 28th March 2020, S.R.O. 22 Of 2020 would have stipulated the closure of all entities in Montserrat that were not providing an essential service. Separate to this fact, as indicative from the assessment, most businesses lacked the adequate capacities to conduct their operations, while managing the spread of the Coronavirus. In many instances, businesses lacked the physical capacities to ideally employ social distancing measures, as well as the technical capacities to operate or offer their services remotely.

Amongst the industries that were assessed, the most populated by labor force were: Accommodation, Construction, Food & Beverage, General Retail, and Taxi & Tours. The Tourism industry alone accounted for 38% of the respondents, followed by Construction- 14% and Agriculture and General Retail, both representing 8% respectively. The evidence suggests a highly concentrated service-based economy which tends to consist a number of sole traders and entrepreneurs.

Based on the Impact Assessment, the rise of the COVID-19 pandemic has attributed to around EC\$ 3,600,000.00 in economic disruptions, for the period of assessment. More intimately, these interruptions have had a direct impact on the livelihoods, of eighty-five percent (85%) or almost nine hundred (900) individuals represented in the assessment. A total value of EC\$ 1,600,000.00 in monthly salaries/wage disruptions was resulted, at an average of EC\$ 1,800.00 per employee.

Notably, sixty-two percent (62%) of all businesses assessed were registered (with thirty-three percent (33%) of all businesses being recognized as sole traders or self-employed. This demonstrates that a significant portion of the business sector on Montserrat operates on an informal basis. The informality is suggestive that many businesses are not registered

with the appropriate entities and there is a general lack of compliance with business regulations. The lack of formality was most noticeable in the agricultural, tourism and construction industries.

254 businesses highlighted that 'Loss/Reduction in Revenue' was the major impact experienced. This in part would impact on cashflow, reducing the available working capital to service business loans, administer wages/salaries and attend to fixed costs. 35% of businesses (101 businesses) are servicing business loans valued at \$337,000 per month. In the absence of regular business activities, reduced cash flow would impact on their ability to repay loans. It is highly likely that the financial institutions are also likely to experience reduced inflow, as a result. The primary industries servicing loans are:

- o Construction
- o Food and Beverage
- o General Retail
- o Taxi and Tours
- o Mining
- o Real Estate

On average, the businesses that participated in the COVID-19 Impact Assessment have been in operation for at least twelve (12) years. Sixty percent (60%) of all individuals represented in the exercise were considered full-time employees.

20% of businesses are part of a private sector support organisation. The most common were Montserrat Chamber of Commerce, Farmer's Association and Taxi and Tours Association.

60% of businesses are male dominated. Traditionally, the common industries with a strong male presence are: Tourism, Construction and Agriculture.

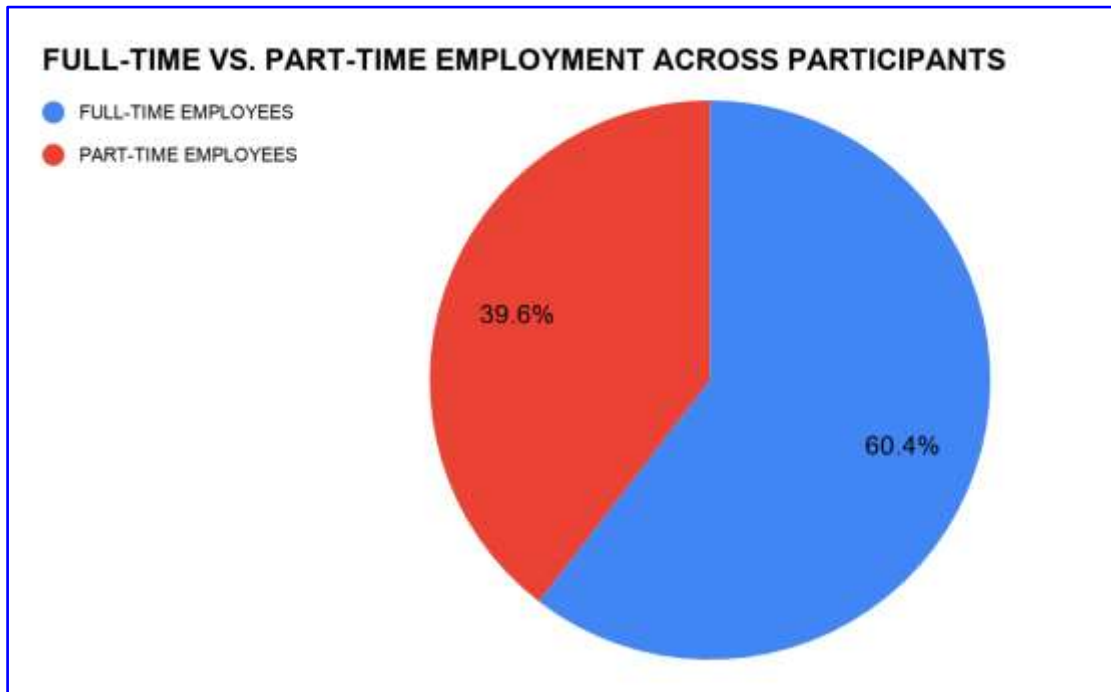
The Trade and Quality Infrastructure Division, Office of the Premier wishes to express sincerest gratitude to the vast number of businesses which participated in this exercise. This data is now available to steer the development of business support and work programming activities.

APPENDICES 1 to 9

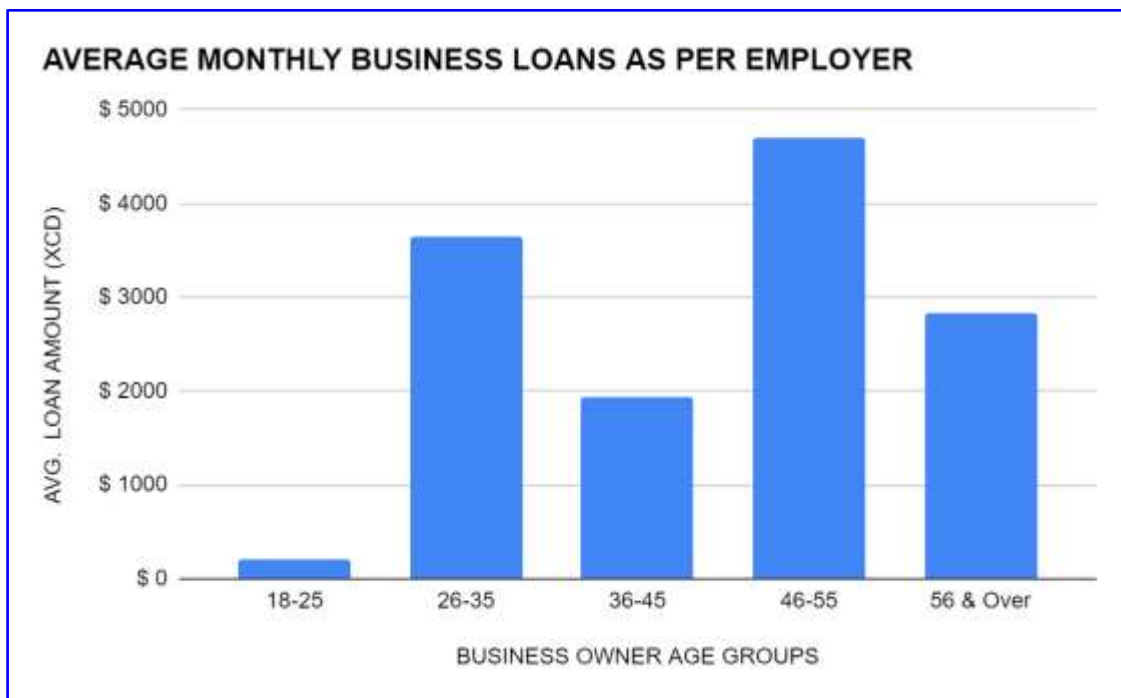
Appendix 1

INDUSTRY	NO. OF SUBMISSIONS
Accommodation	10
Accounting & Auditing Services	1
Agriculture	23
Arts / Craft / Souvenir	13
Automotive & Tyre Repair	7
Beauty	11
Business Services	4
Construction	40
Domestic	12
Education	5
Entertainment	9
Food & Beverage	57
Fuel Suppliers	1
General Retail	24
Healthcare & Fitness	3
Information Technology & Communication	5
Insurance	1
Interior Design	1
Jewellers Retail	2
Logistics & Shipping	2
Mining	5
Property Maintenance	11
Real Estate	4
Sewing and Upholstery	5
Taxi & Tours	20
Travel	1
Trucking & Equipment Hire	5
Vehicle Rentals	3
TOTAL	285

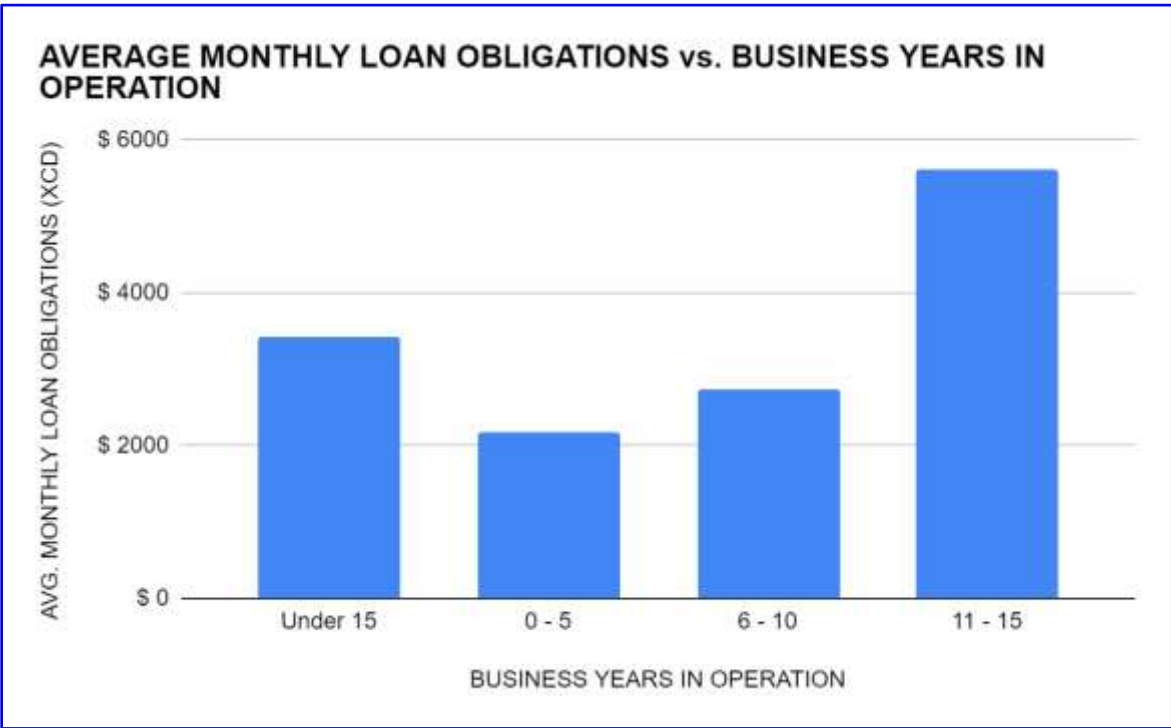
Appendix 2



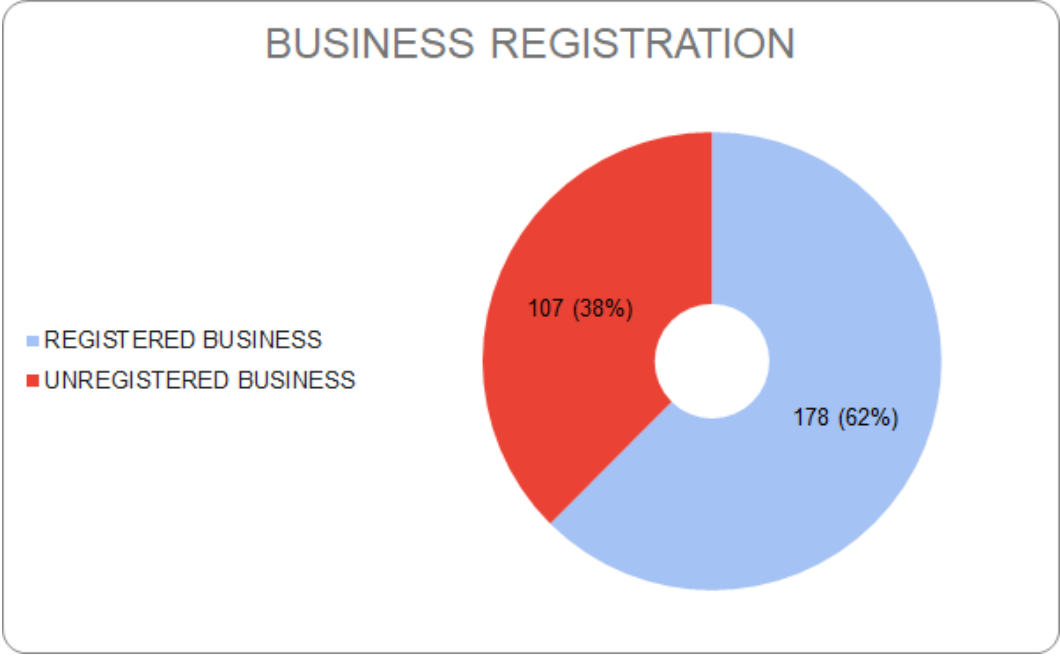
Appendix 3



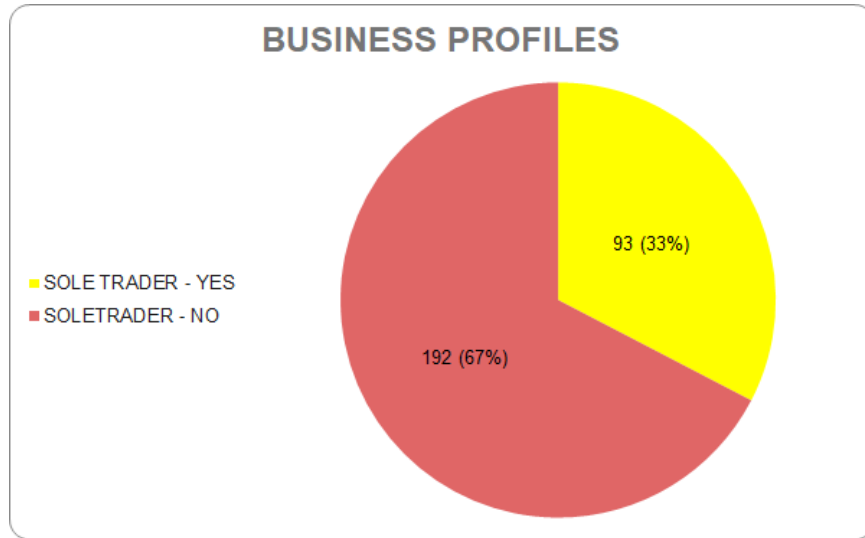
Appendix 4



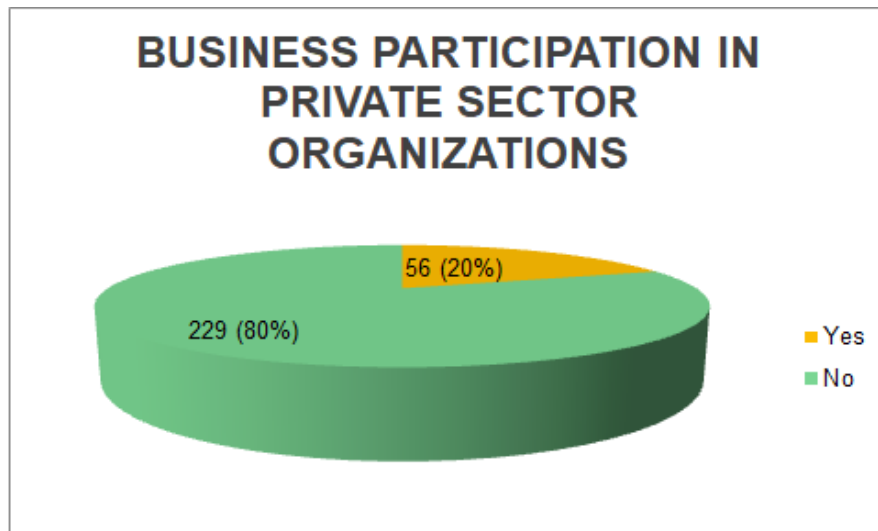
Appendix 5



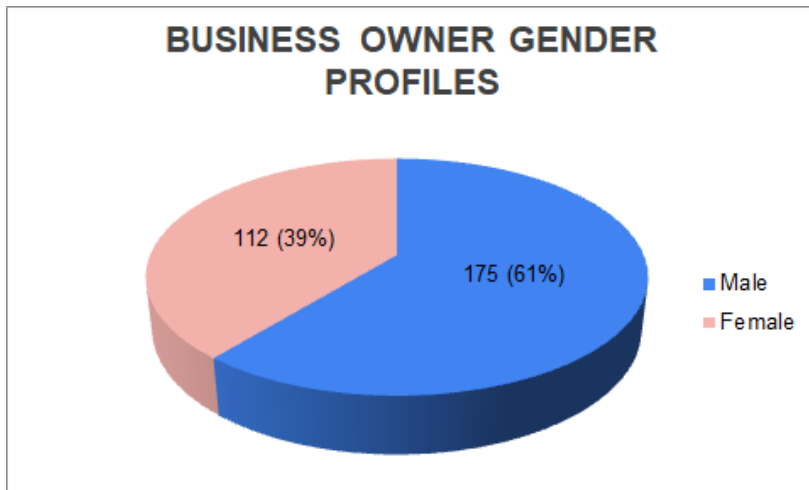
Appendix 6



Appendix 7



Appendix 8



Appendix 9

