

USAID LENS MSE SURVEY ACCESS TO FINANCE

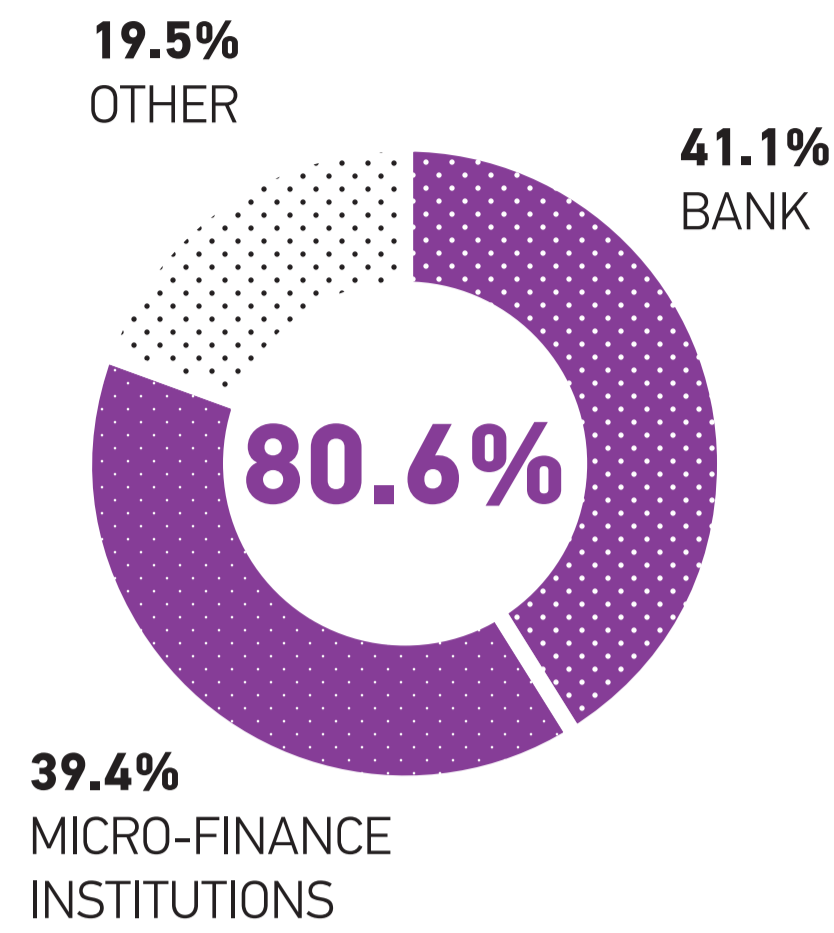
THIS INFOGRAPHIC VISUALIZES DATA FROM THE MSE SURVEY, A PROBABILISTIC STUDY COMMISSIONED BY THE USAID JORDAN LOCAL ENTERPRISE SUPPORT PROJECT (LENS).¹ TO ACCESS THE DATA AND LEARN MORE ABOUT MICRO- AND SMALL ENTERPRISES (MSEs) IN JORDAN, VISIT WWW.JORDANLENS.ORG

PRIMARY FINANCING

3/4 OF MICRO AND SMALL BUSINESSES IN JORDAN PRIMARILY FINANCE THEMSELVES THROUGH THE EARNINGS GENERATED BY THEIR BUSINESS. **9.4%** APPLIED FOR A LOAN IN THE LAST 12 MONTHS.



LOAN PROVIDERS



WHO PROVIDES THE LOANS?

FOUR OUT OF FIVE LOANS PROVIDED IN THE LAST TWELVE MONTHS WERE FROM A BANK OR MICROFINANCE INSTITUTION.³

THE TOP REASONS FOR CHOOSING A PARTICULAR PROVIDER ARE THAT THEY OFFERED THE BEST FINANCIAL PROSPECTS (**35.2%**), AND THAT THE PROCESS WAS SIMPLE TO FOLLOW (**22.9%**).

MOTIVATIONS FOR LOANS

REASONS **FOR** TAKING A LOAN OF THE MSEs THAT TOOK A LOAN IN THE LAST 12 MONTHS, THE PRIMARY REASONS ARE...



26.8%
TO BUY MORE MATERIALS OR GOODS



21.7%
TO IMPROVE EXISTING PRODUCTS & SERVICES



20.9%
TO ADD NEW PRODUCTS OR BUSINESS ACTIVITIES

REASONS **AGAINST** TAKING A LOAN OF THE MSEs THAT DID NOT TAKE LOANS IN THE LAST 12 MONTHS, THE PRIMARY REASONS ARE...



33.2%
THEY DO NOT NEED A LOAN



26.9%
RELIGIOUS REASONS



10.3%
FEAR OF BEING UNABLE TO REPAY

LOAN APPROVAL

79.2% APPROVAL RATE

FOUR OUT OF FIVE OF THOSE WHO APPLIED FOR A LOAN REPORT HAVING BEEN APPROVED.



APPROVAL RATES ARE HIGHER AMONG OWNERS WHO ARE **OLDER** OR HAVE **SMALLER FAMILIES**. THERE IS NO STRONG EVIDENCE TO SUGGEST THAT MEN AND WOMEN DIFFER IN THEIR SUCCESS RATES.

TOP REJECTION REASONS

AS REPORTED BY MSE OWNERS



31.6%
DID NOT HAVE THE NECESSARY GUARANTEE



13.3%
DID NOT HAVE SUFFICIENT EARNINGS



12.4%
REPORT THAT THE REASON FOR SUPPORT WAS NOT ACCEPTABLE TO THE LOAN PROVIDER

1 IN 5 **DID NOT KNOW WHY** THEY WERE REJECTED

FINANCIAL LITERACY & PLANNING

FINANCIAL HEALTH

ONLY **9.2%** OF MSEs MANAGE TO SAVE

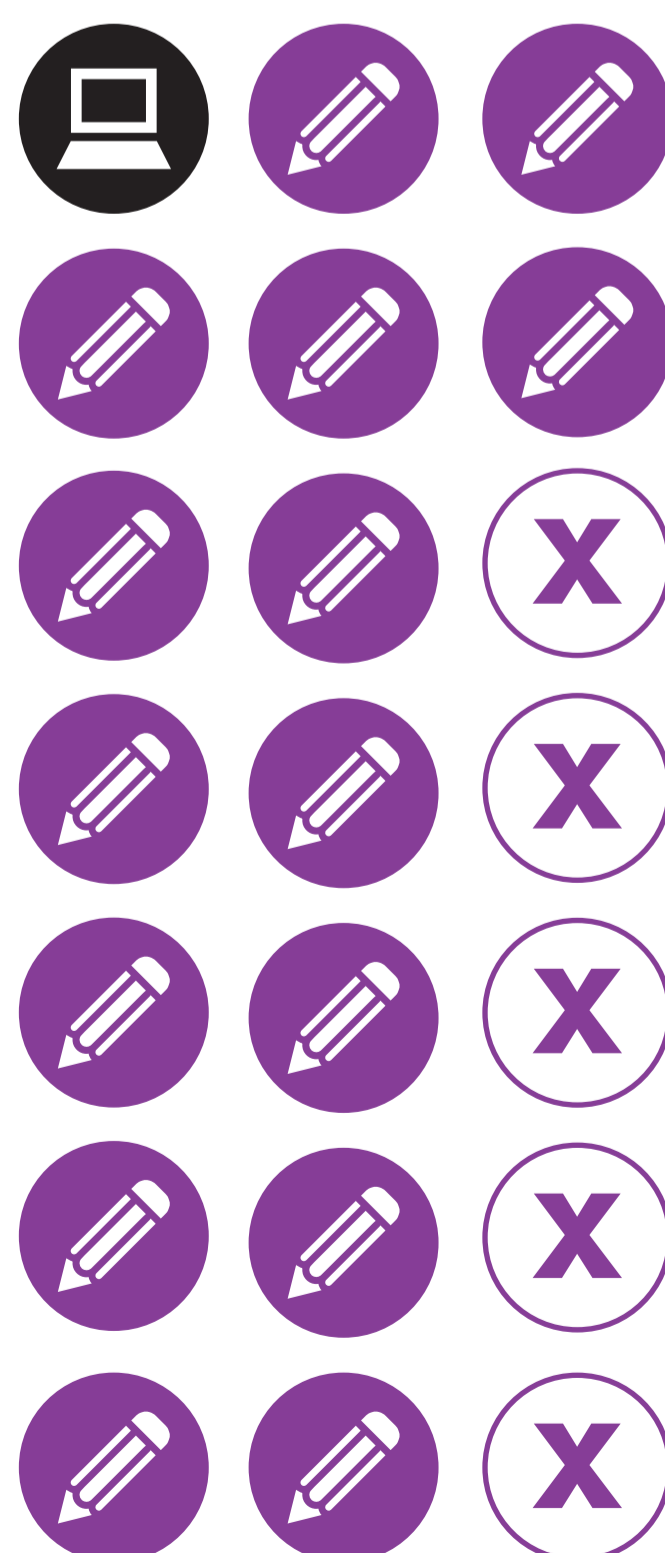


TRACKING PERFORMANCE

35.8% OF MSEs DO NOT KNOW THE EXACT AMOUNT OF PROFIT THEY MAKE



1 OUT OF 2 MSEs COMPARE THEIR FINANCIAL PERFORMANCE TO BUSINESS GOALS



BOOKKEEPING

4.3% RECORD FINANCES ON A COMPUTER

71.8% RECORD FINANCES MANUALLY (PEN AND PAPER)

22.1% DO NOT RECORD THEIR FINANCES

1 OUT OF 2 MSEs WITH EMPLOYEES OFFER THEIR STAFF TRAINING ON RECORD KEEPING. MOST OF THESE TRAININGS ARE IN-HOUSE.

23.6% OF THE MSEs WHO USE COMPUTERS WITH INTERNET RECORD THEIR FINANCES DIGITALLY.

BANKING

80.8% OF MSEs DO NOT HAVE A BANK ACCOUNT FOR THEIR BUSINESS



REASONS GIVEN

39.2% SAY THEY HAVE NO BANK ACCOUNT BECAUSE THEIR WORK DEALS EXCLUSIVELY IN CASH

23.1% SAY THEY HAVE NO ACCOUNT DUE TO LOW SALES VOLUME