COVID-19 has amplified liquidity and financing challenges faced by agribusinesses in emerging markets. Lower sales and higher costs linked to supply chain disruptions have placed significant constraints on cash flow and cash holdings. Partnering for Innovation surveyed 44 of its private sector partners in 19 countries to gain a deeper understanding of how they are managing the financial health and stability of their businesses in the current environment.

**COVID-19 PARTNER SURVEY RESULTS: LIQUIDITY AND FINANCING**

### LIQUIDITY AND FINANCING IMPACT ON LIQUIDITY AND FINANCING

- **Interests & Evaluations**
- **Financing & Cash Flow**
- **Innovations & Product Development**
- **Businesses operating at the end of supply chains were the hardest hit in terms of liquidity and financing.**
- **Of the businesses with three months or less in cash flow and cash holdings, the majority operated in the postharvest processing and storage sector.**
- **Businesses are struggling to meet routine financial obligations due to falling sales and increasing costs.**
- **Their top three financial concerns are:**
  1. **Faced with financial pressures, businesses are pursuing different strategies to stabilize their cash flow and cash holdings.**
  2. **The vast majority are seeking to secure external funding or financing.**
  3. **Businesses are interested in securing US$645,500 on average.**

### QUEST FOR FINANCING

- **Business are turning to a variety of sources, particularly donors and commercial banks, to secure external funding or financing.**
- **Top challenges include:**
  1. **Uncertainty or high interest rates**
  2. **Unwillingness of banks to lend to agribusinesses**
  3. **Time required to access financing**
  4. **Inability to meet collateral requirements**

Businesses operating at the end of supply chains were the hardest hit in terms of liquidity and financing. Of the businesses with three months or less in cash flow and cash holdings, the majority operated in the postharvest processing and storage sector. Businesses are struggling to meet routine financial obligations due to falling sales and increasing costs. Their top three financial concerns are:

- **Financing & Cash Flow**
- **Innovations & Product Development**
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- Uncertainty or high interest rates
- Unwillingness of banks to lend to agribusinesses
- Time required to access financing
- Inability to meet collateral requirements

Businesses are interested in securing US$645,500 on average. Many of them, especially micro- and small enterprises, face significant challenges in accessing this financing.