



ENHANCING SME FINANCE AMID GLOBAL UNCERTAINTY: TRENDS AND POLICIES

Launch seminar of the Asia Small and Medium-Sized Enterprises Monitor 2025
Global Uncertainty, Trade and Private Sector Businesses in Asia and the Pacific

12-13 November 2025 | Baku, Azerbaijan

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The OECD Committee on SMEs and Entrepreneurship brings together policy makers and stakeholders



Global forum for policy analysis and dialogue

SME and
entrepreneurship
financing

Scale up

SME greening

SME
digitalisation

SME and
entrepreneurial
skills

SMEs and GVCs



Country-level analysis and tailored support

Monitoring and evaluation



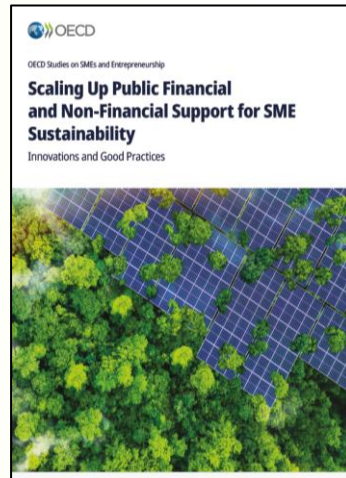
OECD Committee on SMEs and Entrepreneurship (CSMEE) supports evidence-based policy making

Financing SMEs and Entrepreneurs

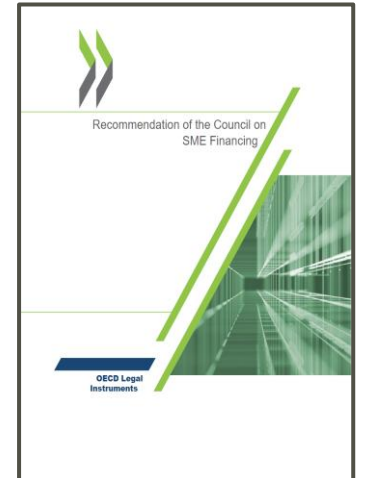
Data collection



Thematic work



High level guidance/instruments





Financing SMEs and Entrepreneurs: An OECD Scoreboard

2026 edition marks the 15th anniversary of the Scoreboard

- Global reference on SME access to finance, financing conditions and policies
- Expanded from 18 to 48 countries around the world, working to expand further
- Expanded number of core indicators and complementary data
- Strengthened granularity by including subnational and gender-specific data
- Working to expand indicators, including for Fintech



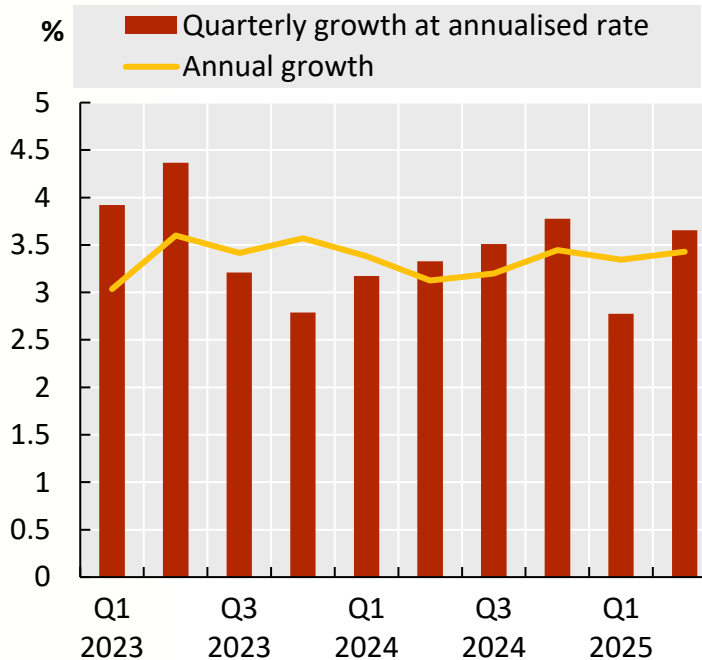


Preview of Financing SMEs and Entrepreneurs 2026

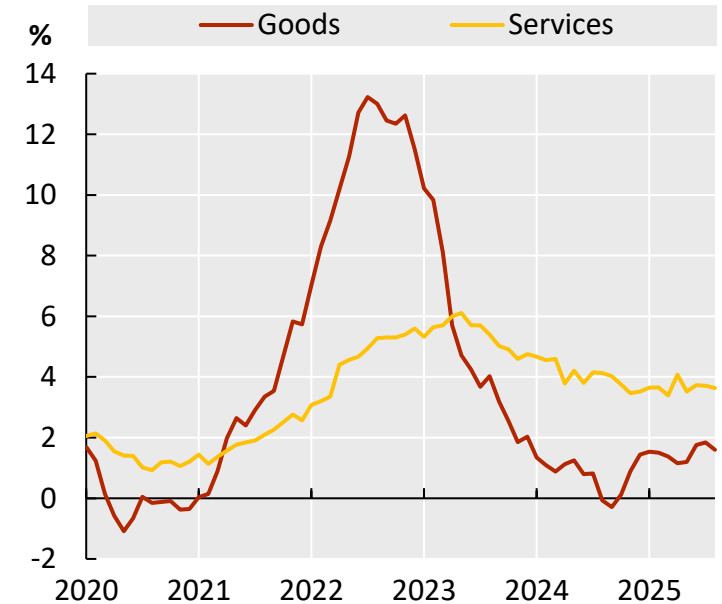
The global outlook continues to be challenging

- Global GDP growth is expected to increase at **3.2% in 2025**, stronger than initially projected. Growth is supported by increased goods production and trade ahead of new tariffs.
- Inflation declined in 2024, but the drop stalled by mid-2025. Goods inflation is rising again, and service inflation is persistent, with divergences across advanced economies.

Panel A: Global GDP



Panel B: Median inflation OECD countries

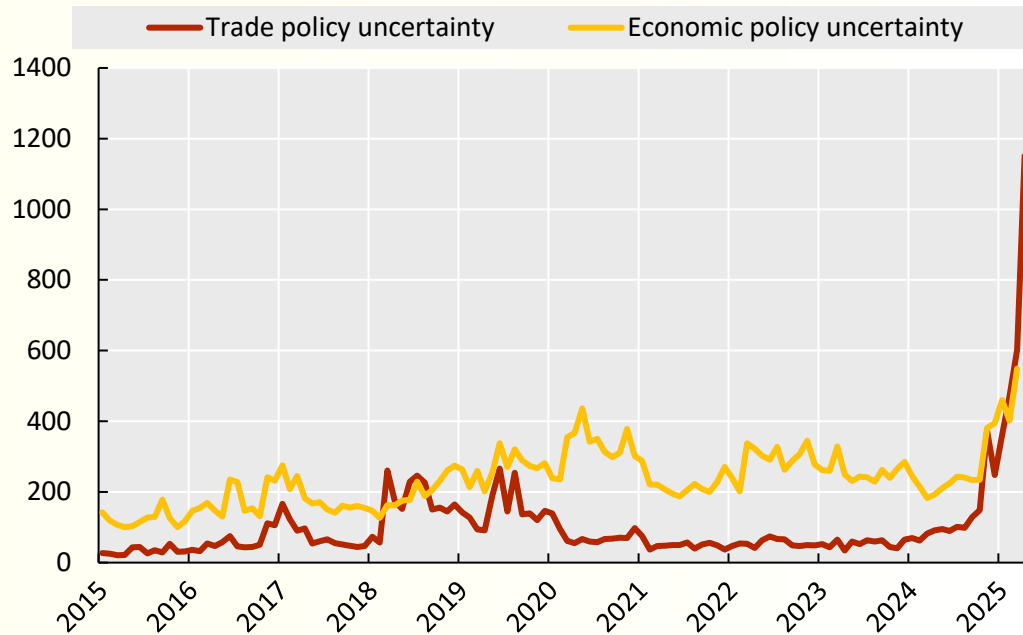


Source: OECD Economic Outlook 118 database



Elevated policy uncertainty is weighing on business confidence

Panel A. Trade and Economic policy uncertainty indices

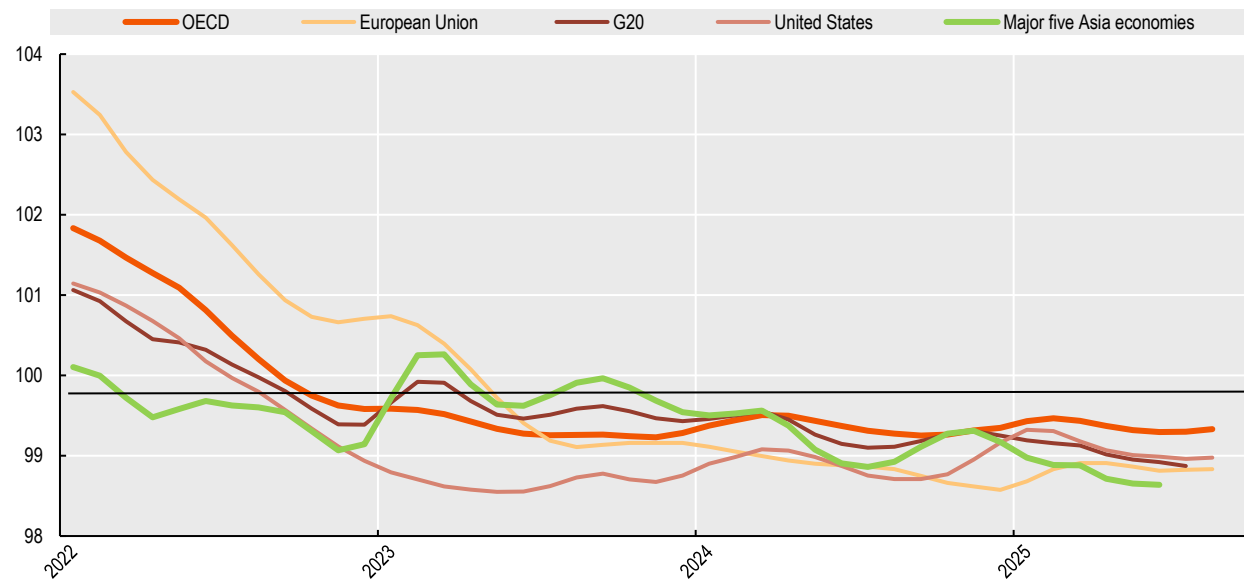


Note: For Panel A, the Economic Policy Uncertainty (EPU) is based on Baker, Bloom and Davis (2016) and the Trade Policy Uncertainty (TPU) index is from Caldara et al (2019). The EPU index is a nominal GDP-weighted average of national EPU for 21 countries: AUS, BRA, CAN, CHL, CHN, COL, FRA, DEU, GRC, IND, IRL, ITA, JPN, KOR, MEX, NDL, RUS, SPA, SWE, GBR, USA. The TPU index is based on automated text searches of the electronic archives of seven newspapers.

Source: OECD Economic Outlook 117, June 2025.

Panel B. OECD Business confidence index in selected group of countries

Amplitude adjusted index, long-term average = 100.



Note: Business confidence index (BCI) is a standardised confidence indicator providing an indication of future developments in business, based upon opinion surveys on developments in production, orders and stocks of finished goods in the manufacturing sector. **Numbers above 100 suggest an increased confidence in near-future business performance, and numbers below 100 indicate pessimism towards future performance.** The five major Asian economies are China, India, Indonesia, Japan, and Korea.

Source: [Business confidence index \(BCI\) | OECD](#), 2025

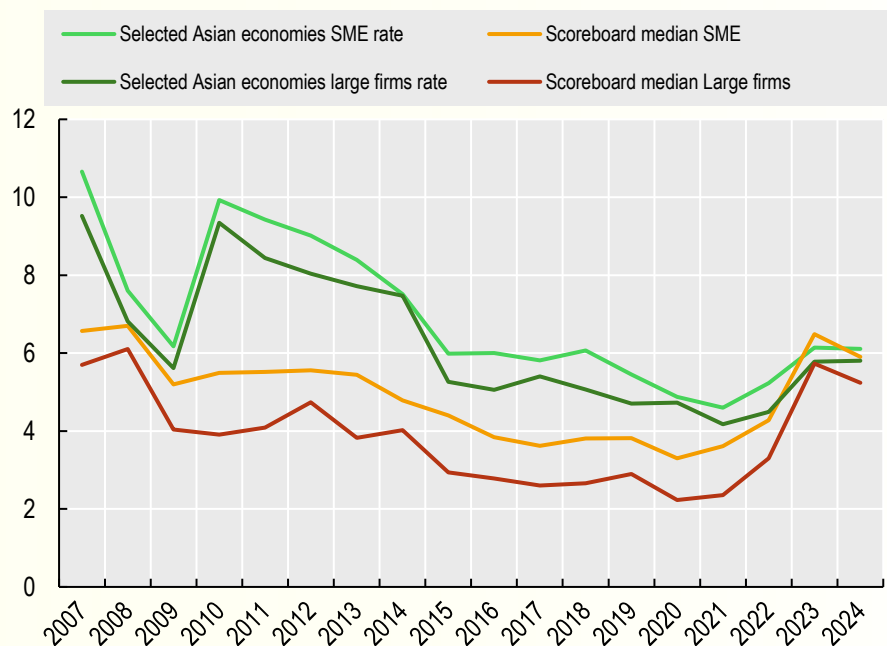


Trends in debt financing



Following policy interest rates cuts, the cost of finance for SMEs has started to decline

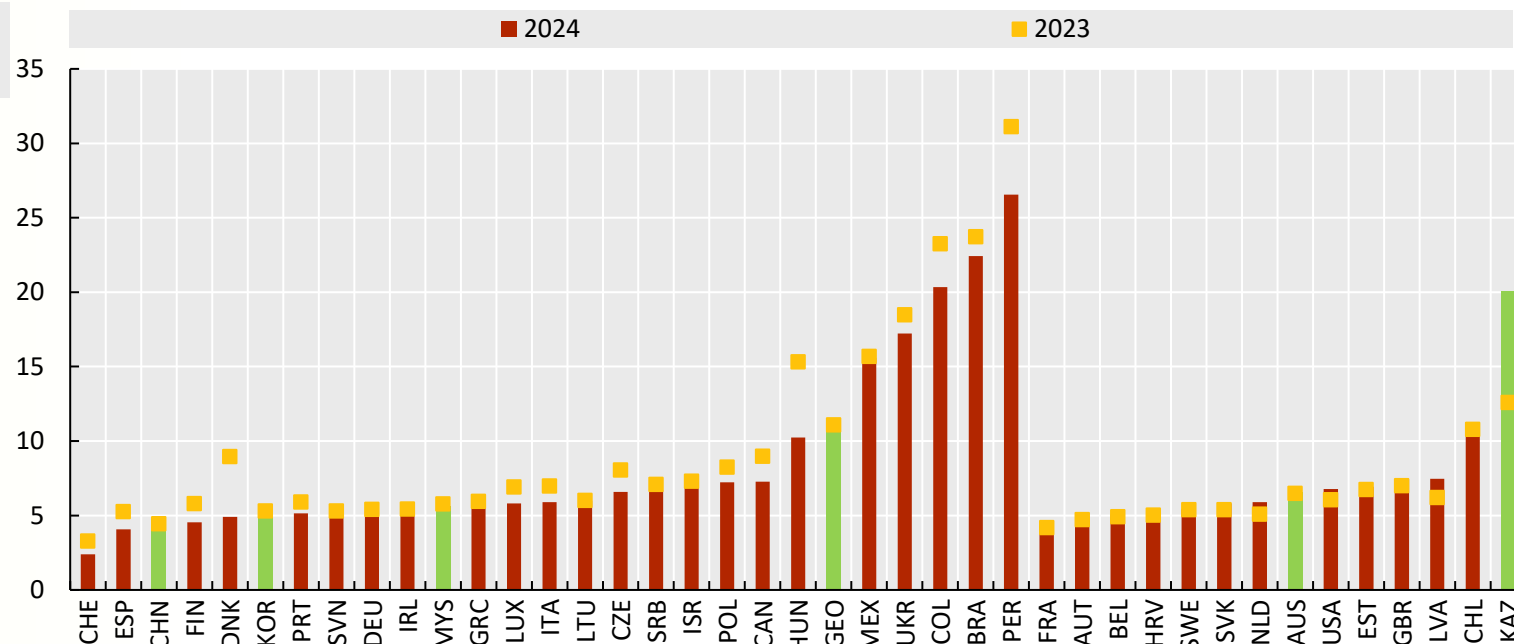
Panel A. SMEs and large firms' interest rates
Nominal interest rates, as a percent



Note: Selected Asian economies include Australia, China, Georgia, Kazakhstan, Korea, and Malaysia.

Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)

Panel B. SMEs interest rates
Nominal interest rates, as a percent



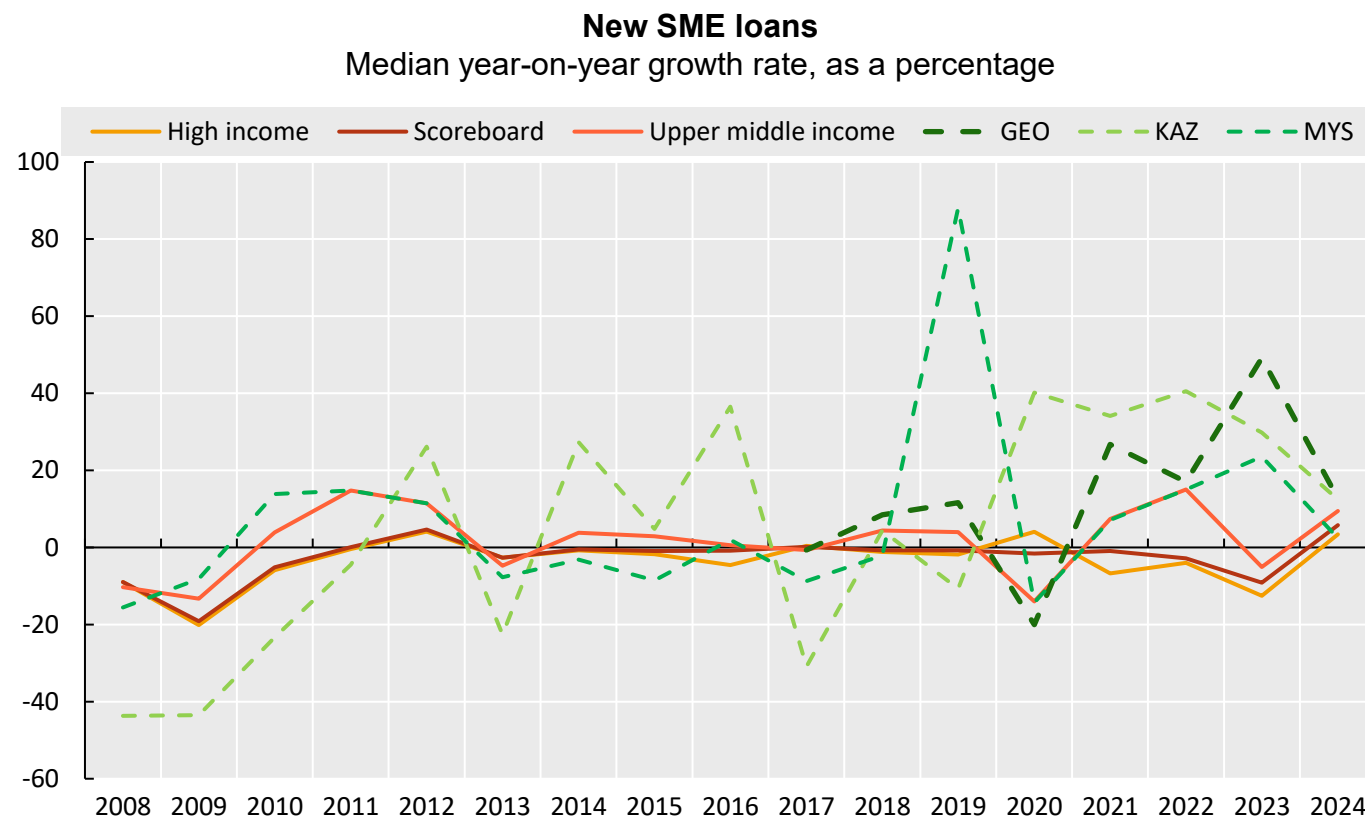
Note: The left-hand side of the figure shows the countries where SME interest rates have declined.

Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



... spurring the beginning of a recovery of new lending to SMEs

- The Scoreboard median of **the flow of lending to SMEs increased 5.8% in 2024** (compared to a decline of 9.4% in 2023).
- 21 countries out of 32 registered an increase in the flow of loans to SMEs as a share of GDP; however, in most countries, this increase was small.
- The highest increases were seen in Portugal, Luxembourg, Ukraine and Spain.
- Selected Asian economies, however, registered a reduced flow of loans to SMEs, in part explained by continued high SME interest rates.

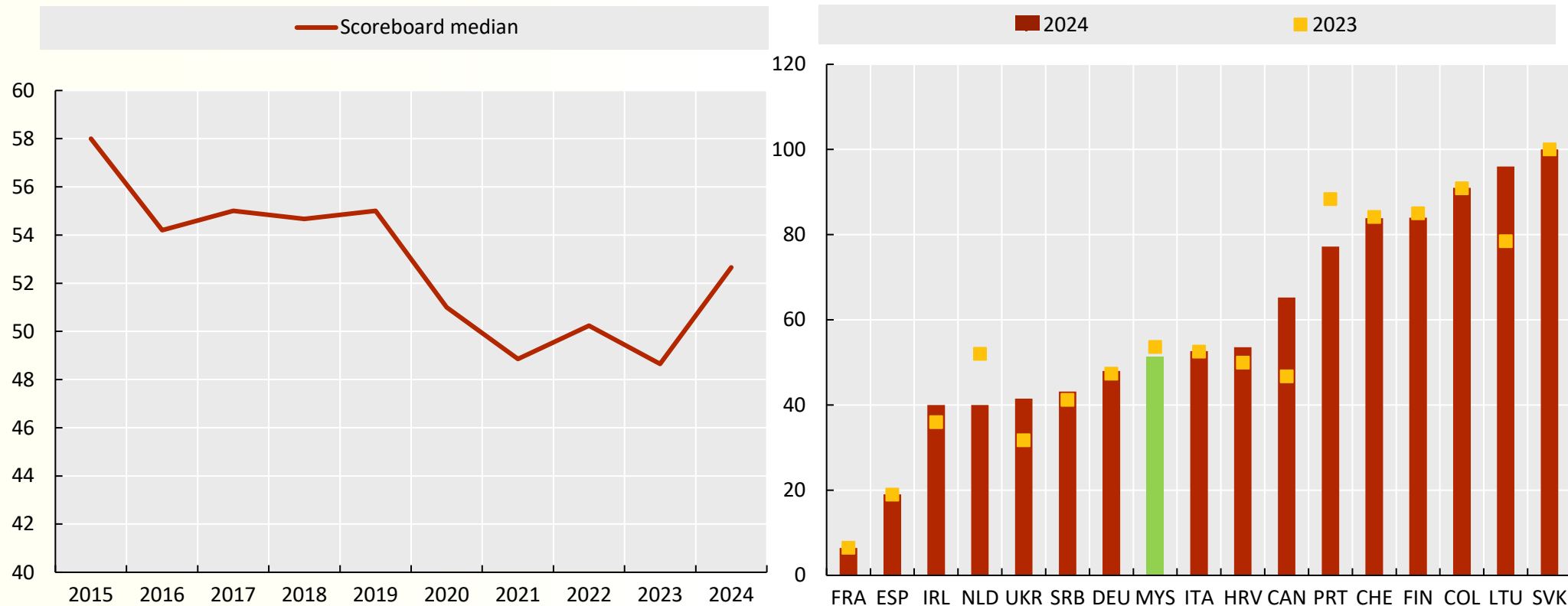


Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



However, rising collateral requirements and tighter credit terms and conditions may be holding back further recovery of lending ...

Share of SMEs requiring collateral
Scoreboard Median (left), percentage by country (right)



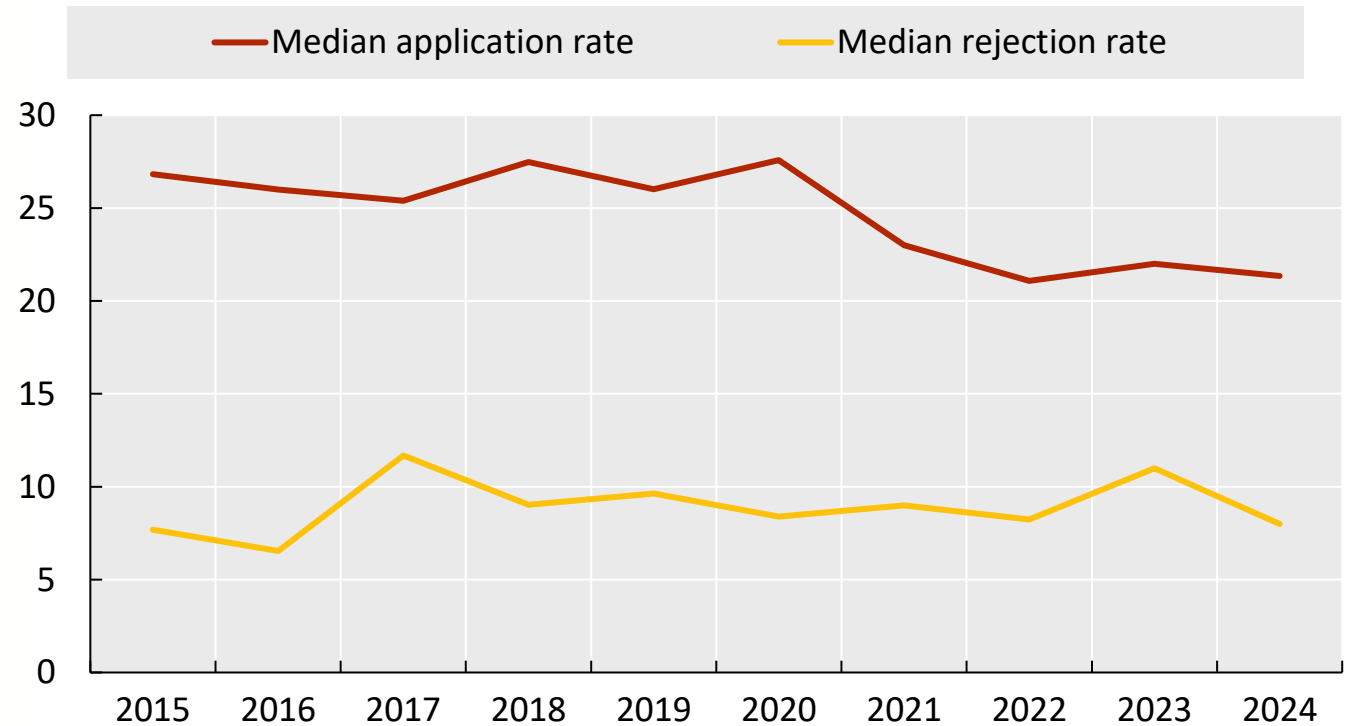
Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



... with demand for credit broadly stable despite falling interest rates

- Demand for credit remained stable between 2023 and 2024 in a context of tight credit terms.
- Rejection rates declined, potentially explained by the discouraged borrower effect.
- Survey data from 2025 point out to an increase of rejection rates, due in part to higher risk perceptions related to the economic outlook.

Share of SME application and rejections
As a percent

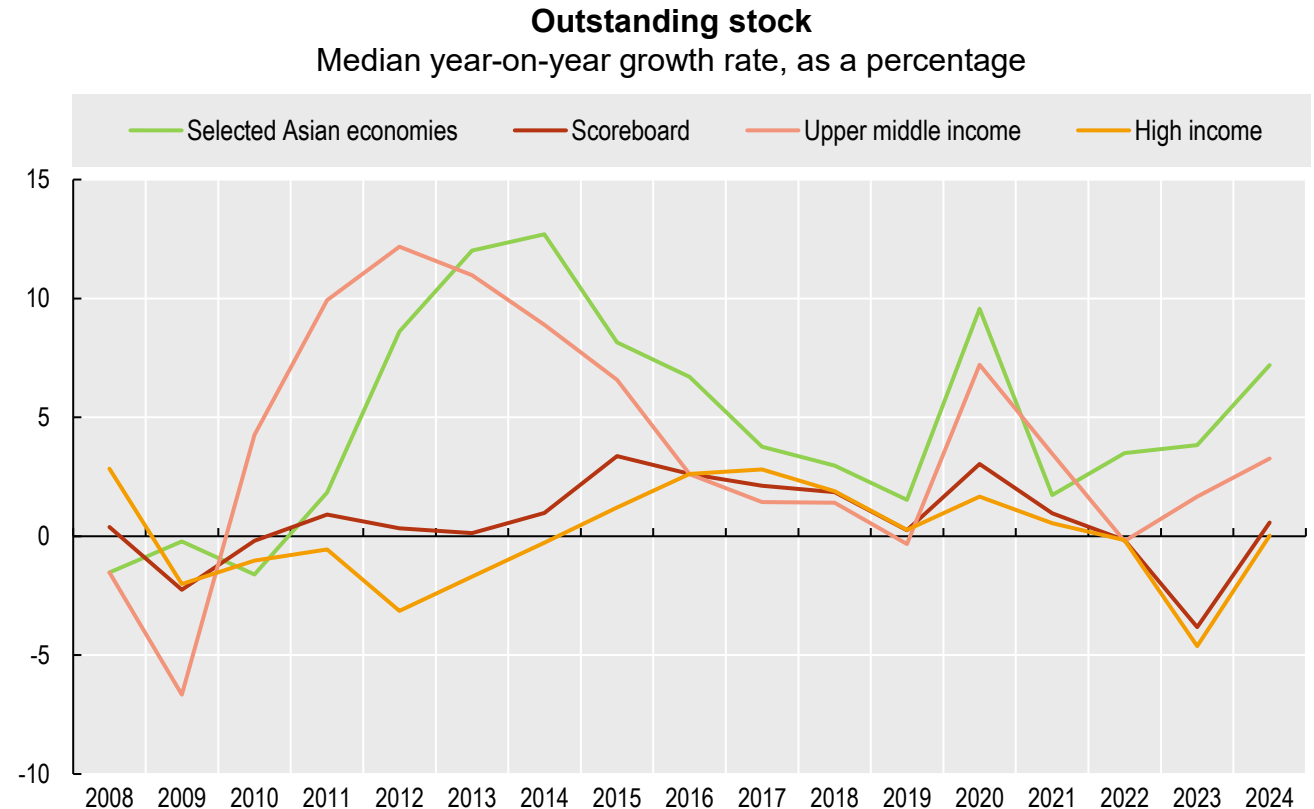


Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



Turning to SME loan stocks, the Scoreboard median stagnated ...

- The Scoreboard median of the stock of SME loans remained relatively unchanged (0.59%) in 2024.
- This stagnation can be explained by a mix of factors:
 - Gradual deleveraging of COVID-19 era support loans
 - Tight credit conditions in 2022 and 2023 resulted in a fall in loan originations and higher repayments.
- Asian economies participating in the Scoreboard registered an increase in the stock of SME loans, in part explained by the higher flow of loans in 2022 and 2023.



Note: Selected Asian economies include Australia, China, Georgia, Japan, Kazakhstan, Korea, Malaysia, Thailand, and Türkiye.

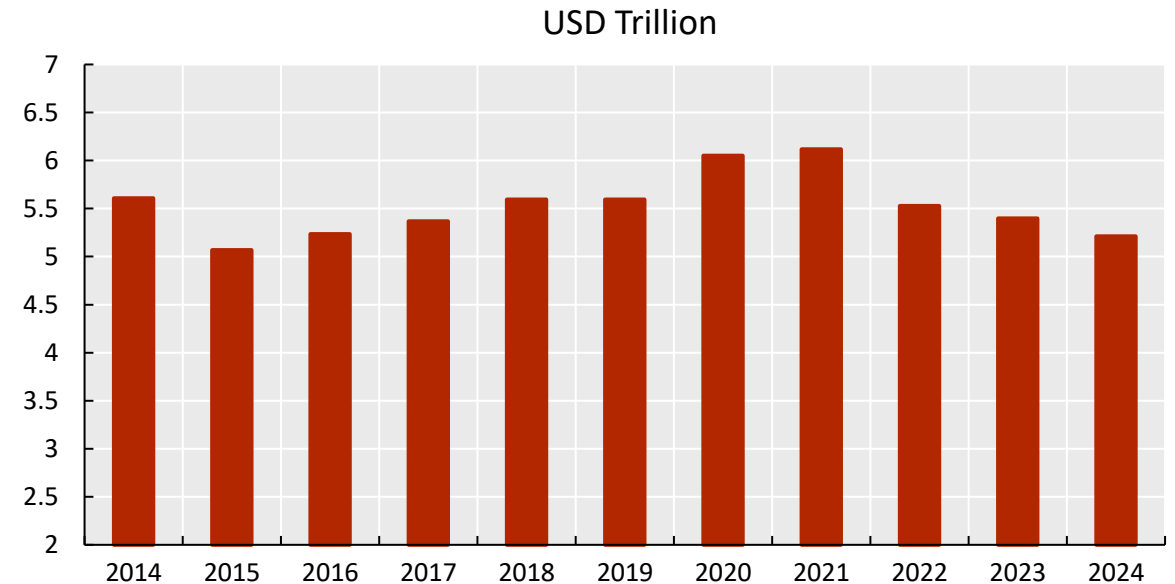
Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



... with a modest annual drop in volumes in most countries

- The total volume of SME loan stocks in selected Scoreboard countries has continued to decline since the pandemic.
- Looking at stock volumes as a share of GDP, 25 countries out of 39 show lower stocks compared to 2023.
- The growth of non-bank finance may also explain the lower stock of SME loan volumes.

Evolution of the total outstanding stock of SME loans in a selected group of Scoreboard countries



Note: The total outstanding stock of SME loans includes the data from 33 Scoreboard countries for which data is available from 2014 to 2024. Countries covered for the total outstanding stock of SME loans are BEL, BRA, CAN, CHE, CHL, COL, CZE, ESP, EST, FRA, GBR, GEO, HRV, HUN, IRL, ISR, ITA, JPN, KAZ, KOR, LTU, LVA, MEX, MYS, NLD, PER, POL, PRT, SRB, SVN, SVK, THA, TUR. All data are adjusted for inflation using the GDP deflator of each country published in the OECD Economic Outlook database using the base year 2007. Data was converted to USD using each year's exchange rates.

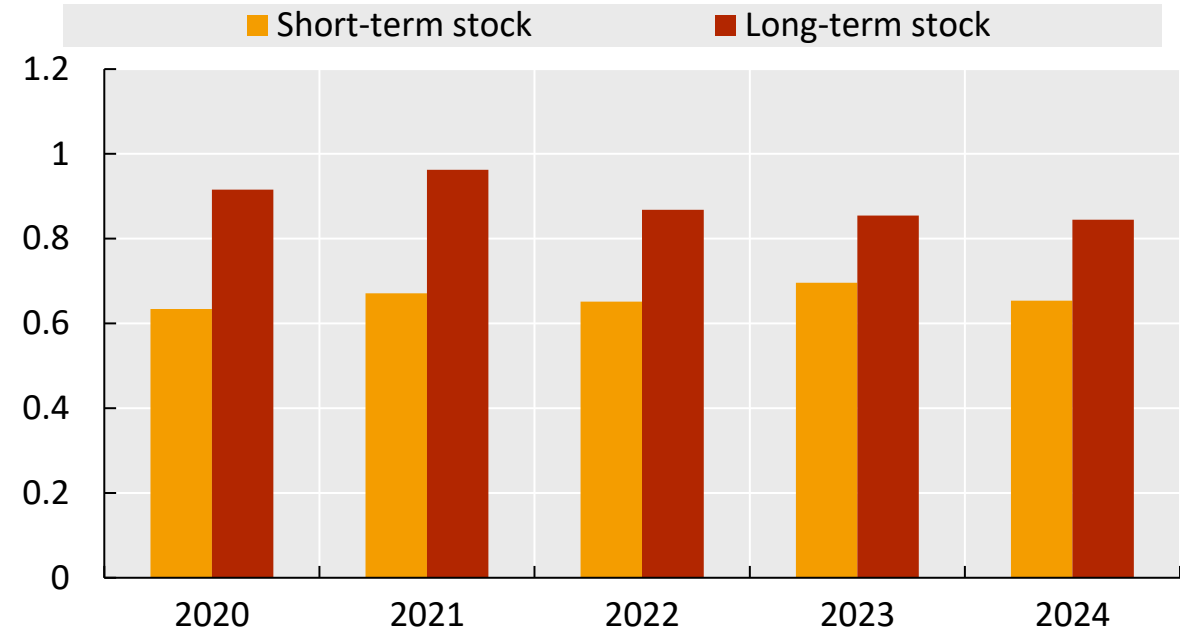
Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



Long-term loans have declined from 2021, signalling a weakening of investment

- Survey data from New Zealand indicate **that demand for credit for capital expenditure among SMEs weakened** in Q3 2024.
- A KFW study in Germany shows **that the share of SMEs using bank loans for investment fell by nearly half between 2004 and 2023**.
- Business statistics in selected countries confirm a decline in SME investments.

Evolution of long and short-term outstanding stock of SME loans in selected Scoreboard countries
USD Trillion



Note: Both short term and long term outstanding stock of SME loans includes the data from 23 Scoreboard countries for which data is available from 2015 to 2024.

Countries covered are AUT, BEL, BRA, CHL, COL, CZE, ESP, EST, GEO, HUN, IRL, ISR, ITA, KAZ, KOR, LVA, NLD, POL, PRT, SRB, SVK, SVN, HRV. All data are adjusted for inflation using the GDP deflator of each country published in the OECD Economic Outlook database using the base year 2007. Data was converted to USD using each year's exchange rates.

Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



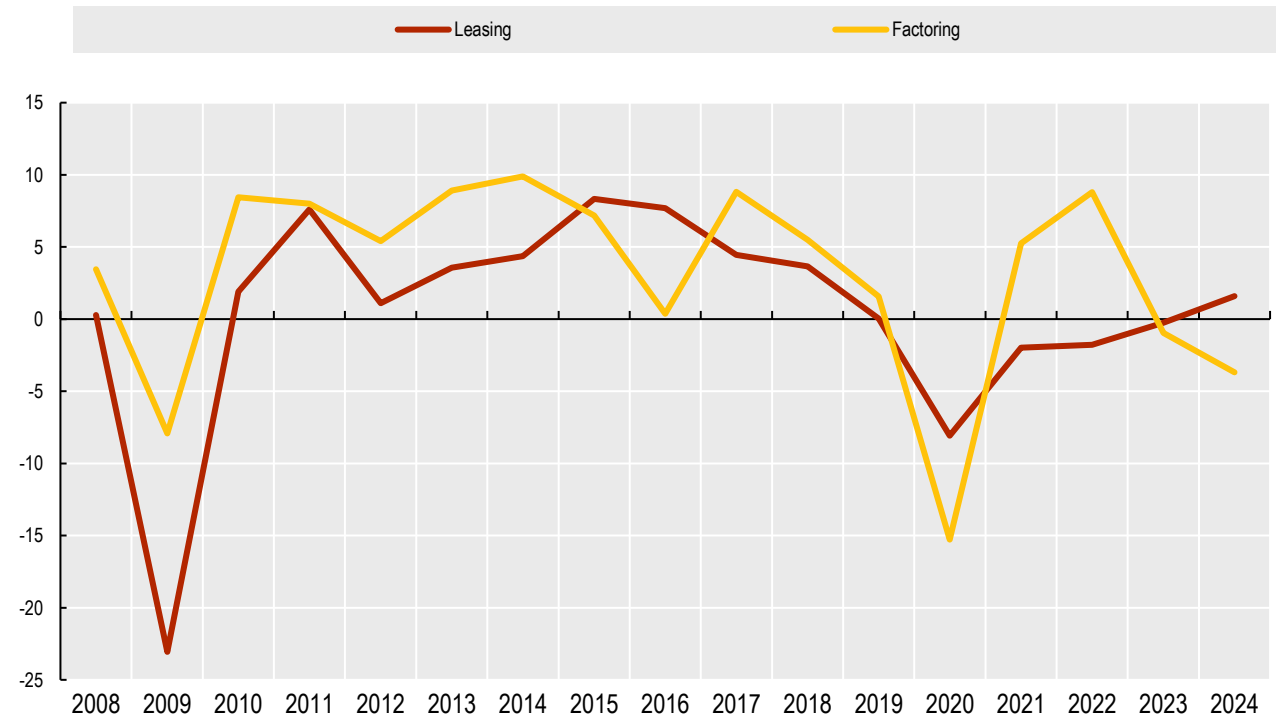
Trends in alternative sources of finance for SMEs and entrepreneurs



Asset-based finance continued to show subdued performance

- Factoring declined by 3.7% between 2023 and 2024 (Scoreboard median).
- In 2025, the effects of trade tensions could result in fewer export invoices to factor and a potential further decline in international factoring.
- Leasing increased moderately. Lower performance was registered in real state leasing and equipment. Profitability among lessors declined as a result of increased uncertainty.

Evolution of leasing and factoring volumes
Median year-on-year growth rate

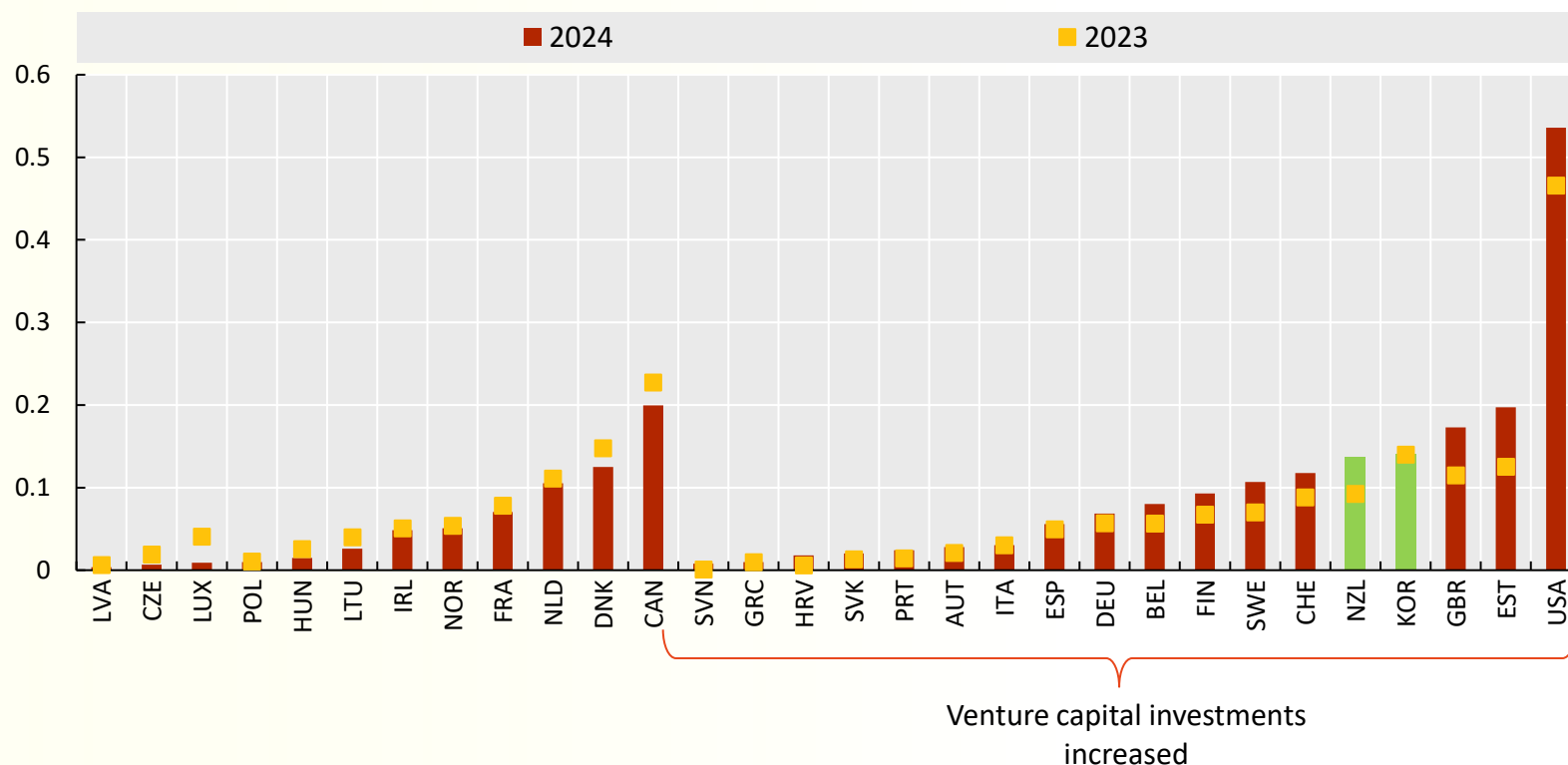


Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard (forthcoming)



Venture capital is recovering slowly, but investments are concentrated mostly in AI

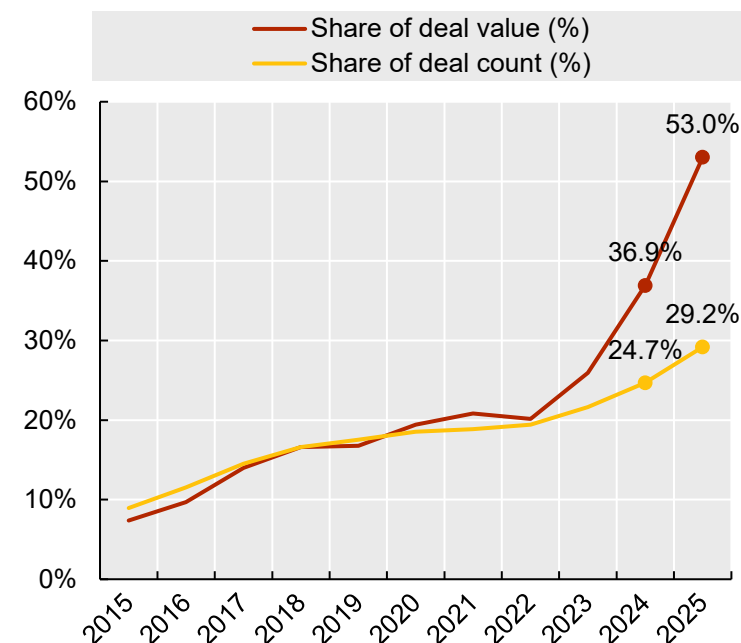
Venture capital investments, 2023-2024
Percentage of GDP



Source: Venture Capital (market statistics) database, OECD Data explorer

Global VC investments in Artificial Intelligence and Machine learning

Share of global deal activity (right panel)



Note: Data as of June 30, 2025

Source: Q2 2025 Global VC first look, (Pitchbook, 2025_[6])



Trends in SME financing policies



Recent public policy responses in key areas

1. Financial support in response to trade disruptions

Support to mitigate SME vulnerability.

- **Spain:** EUR 5 billion in guarantees for affected companies including SMEs by ICO.
- **South Korea:** Financial and non-financial support, including additional KRW 20 billion of guarantees for impacted SMEs.
- **Canada:** CAD 500 million of financing for entrepreneurs.
- **UK:** Additional GBP 500 million of lending capacity for SMEs.

2. Asset-based finance regulatory framework

Introduction of regulatory reforms to improve SME access to factoring.

- **Ukraine:** Adoption of law on factoring to enable implementation and scale of digital factoring tools.
- **France:** Implementation of full legal framework for electronic transferable records.
- **Georgia:** Soon-to-be enacted factoring law to address key legal factoring challenges.

3. Promoting SME sustainable investments

Policies to increase SME investments in sustainability.

- **Thailand:** Go Green loan scheme for SMEs (2025) worth TBH 5 billion (USD 150 million), part of the “Four Goes” campaign.
- **Greece:** Up to EUR 8 million loans with favourable interest rate conditions for green transition investments by the Hellenic Development Bank.
- **Japan:** Shoko Chukin Bank provide comprehensive sustainable management support.

4. Targeted credit guarantees and lending for innovative SMEs

Specific guarantees and direct lending schemes for start-ups.

- **Germany:** Program launched for start-ups and business successors including a 100% guarantee on loans up to EUR 500 000 by KfW and the German Guarantee Banks.
- **Denmark:** Targeted financing matching scheme launched, specifically targeted towards young innovative businesses, by EIFO.

Note: Detailed policy explanation and sources in the Trends chapter.

Source: Financing SMEs and Entrepreneurs 2026: An OECD Scoreboard

(forthcoming)

An aerial photograph of a dense forest, likely a coniferous forest, with a diagonal path or streambed cutting through it. The trees are a mix of dark green and lighter green, suggesting different species or stages of growth. In the upper left corner, a small, simple wooden hut is visible. The bottom of the image is overlaid with a solid red-to-orange gradient banner.

Scaling up sustainable finance for SMEs



Introduction and background

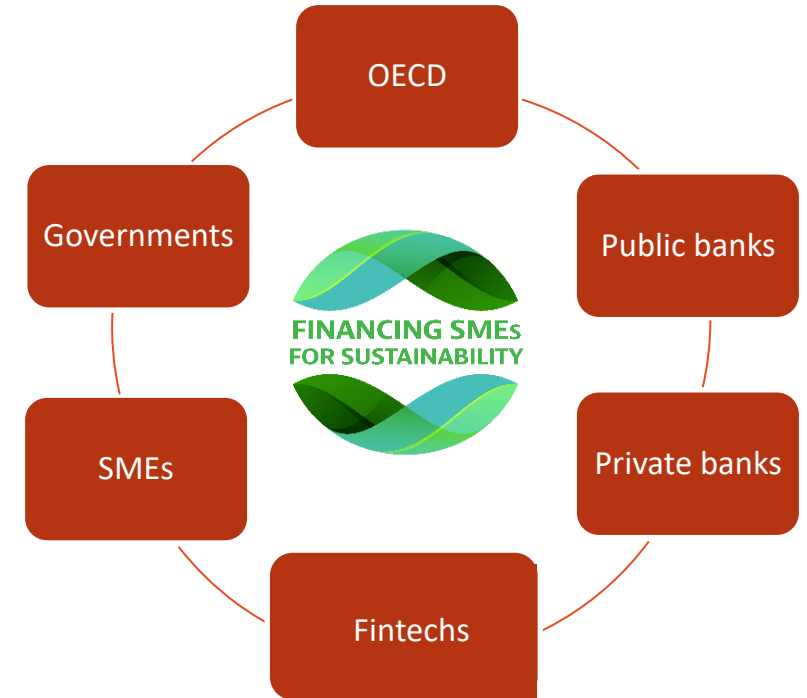
OECD Platform on Financing SMEs for Sustainability

Key objectives:

- Drive forward the green transition of SMEs by unlocking access to sustainable finance
- Share policy experiences to accelerate scaling of good practices in financial and non-financial support
- Fill knowledge gaps and strengthen the evidence base

Sustainability, competitiveness and resilience go hand in hand

The Platform aims to keep SME sustainability front and centre in a context of new emerging policy priorities



Members:



Knowledge partners:





Key analytical work

- *Scaling up financial and non-financial support for SME sustainability: Innovations and Good Practices (2025)*
- *OECD Guidance Note on Fostering Convergence in SME Sustainability Reporting (2025)*
- *G20 policy note: Implementing Sustainability Reporting Requirements that Work for SMEs (2024)*
- *Survey Report: Financial institution strategies and approaches (2023)*
- *Policy paper: Financing SMEs for Sustainability Drivers, Constraints and Policies (2022)*





**Fostering finance for women
entrepreneurs**



Priority policy actions to address gender imbalances in entrepreneurship finance



Better target financial support and ensure links with non-financial support.



Address structural issues affecting access to finance for women entrepreneurs.



Increase collaboration with private sector actors.

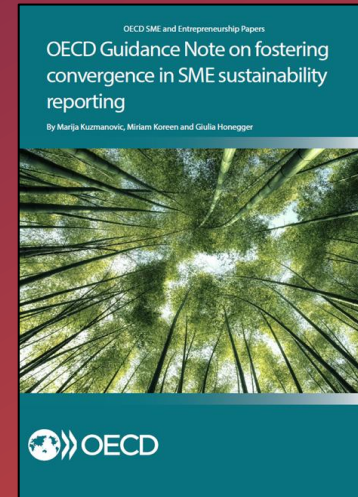


Strengthen data collection on women entrepreneurs' access to finance.

Further reading



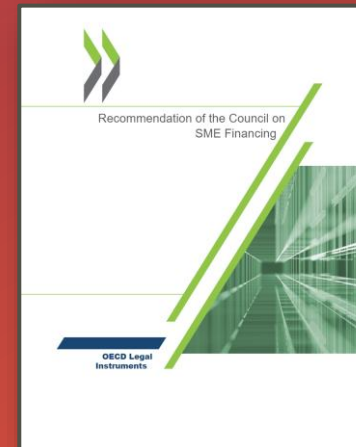
OECD Financing SMEs and Entrepreneurs Scoreboard: 2025 Highlights



Guidance Note on fostering convergence in SME sustainability reporting



Benchmarking government support for venture capital | OECD



OECD Recommendation of the Council on SME Financing



Thank you



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How the OECD through the CSMEE is working to support the diversification of SME financing instruments

1. Continued improvements in the monitoring of the SME Financing Scoreboard

- Improve the granularity by increasingly collecting subnational and gender-disaggregated data.
- Improving the country coverage.



Contact us if your country is interested in participating in the exercise.

- Collaboration does not entail financial contribution.

2. Government support for venture capital ecosystems

- Our work has focused on monitoring recent trends in VC ecosystems and comparing policy approaches to government VC policies.
- Report on *Benchmarking government support for Venture Capital* covered 9 OECD countries.

3. Platform on Financing SMEs for sustainability

- Forum for policy dialogue and knowledge sharing.
- Latest activities include:
 - OECD Guidance on fostering convergence on SME sustainability
 - Report on scaling up public financial and non-financial support for SME greening
 - 4th Annual Conference - Advancing SME Sustainability for Competitive and Resilient Economies



4. Unlocking the potential of Fintech and AI to bridge the SME financing gap

- Work will focus on identifying the latest trends in Fintech and AI, and implications for SME finance.
- Risks and challenges of AI for Fintech players and SME finance allocation
- Map and analyse regulatory approaches to foster innovation in finance for SME portfolio.