7 April 2020

FOR IMMEDIATE RELEASE

The Singaporean-German Chamber of Industry and Commerce (SGC) conducted a third flash survey with SGC-Members regarding COVID-19 and its impact on German and Singaporean businesses between 24-26 March 2020.

Close to 20% of the SGC-Members (98 participants), took part in the survey. 53% of the surveyed companies indicated that the COVID-19 outbreak has a severely disruptive impact on their business. Disruptions are mainly caused by:

(1) Travel restrictions (84% of respondents)
(2) Decreased demand for products/services (76% of respondents)
(3) Uncertainty/inability to make business and investment decisions (47% of respondents)

It is also noticeable that cash flow is becoming a growing challenge among respondents. Between the second (03-06 March 2020) and third flash survey, the number of respondents indicating that they face cash flow challenges more than doubled from 18% to 39%.

As a result of COVID-19 and related disruptions, 41% of members expect to suffer a loss of revenue of more than 20% in the first half of 2020. This number has almost doubled since the second flash-survey in which 23% of survey participants indicated that they would suffer a revenue loss of more than 20%. In response to the lower revenues in the first half of 2020, almost every second company (47%) is planning to lower their business performance target for this year.

In particular, travel restrictions have severe implications for companies. Says Jens Ruebbert, SGC President, “A vast majority of members (69%) have indicated that travel restrictions will further lower their sales performance as they cannot receive or meet business partners and clients.”

As many countries have gone into lockdown and the number of COVID-19 cases are still increasing, it seems that the global health crisis will continue for some time. That is why member companies have expressed that they hope for an overall government-induced stimulus (65%), corporate tax reductions/deferments (49%) and liquidity support (33%).
governments, including Germany and Singapore, have stepped up and taken various measures to stabilise the economy and support the labour force. The SGC hopes that these measures will help mitigate some of the negative impact of the pandemic. “I have no doubt that as a business location, Singapore will be able to overcome these extraordinary challenges and emerge stronger from them,” said Jens Ruebbert.

About the Singaporean-German Chamber of Industry and Commerce:

The Singaporean-German Chamber of Industry and Commerce (SGC) is part of a network of 140 offices of the German bilateral Chambers of Industry and Commerce abroad in 92 countries. The Chamber is one of the largest national Business Chambers in Singapore with a membership of close to 530 representatives from a variety of industries from Germany and Singapore. The SGC offers a valuable and well-established networking platform and is well connected with authorities in Singapore and Germany. Through its active industry committees, the SGC gives a voice to businesses. With its distinct service unit and trade fairs arms - DEinternational and Fairs & More respectively - the SGC builds a primary source for reliable information on the German and Singapore business environment as well as bilateral trade relations. DEinternational serves clients in their business needs e.g. searching for business partners, organising business missions and business trips, finding staff members and providing market analysis. DEinternational works in many areas such as energy efficiency, water management, Industrie 4.0, smart city development, research and many more.

For further enquiries, please contact:

Singaporean-German Chamber of Industry and Commerce (SGC)
25 International Business Park
#03-105 German Centre
Singapore 609916
Website: http://www.sgc.org.sg
Main Line: (+65) 6433 5330
Fax: (+65) 6433 5359

Ms Lakshmi Swarnam
Head, Membership, Events & Communications
Email: lakshmi.swarnam@sgc.org.sg
DID Phone: (+65) 6433 5337