

Dr. Kristalina Georgieva
Managing Director
International Monetary Fund
Via email: gmintcheva@IMF.org

Mr. David Malpass
President
World Bank
Via email: president@worldbank.org

Paris, 4 March 2022

Dear Madam Managing Director, dear Mr. President,

I am writing to bring to your attention growing concern within the International Chamber of Commerce network regarding the impact of the Russia - Ukraine crisis on the legitimate business activities of small and medium enterprises ("SMEs").

While we fully respect the decision of several governments to impose economic sanctions on Russia in recent days, a growing body of anecdotal evidence from our network suggests that the uncertainty caused by the conflict -- and related policy interventions -- is impacting SME trade in a broader range of sectors than may have been previously envisaged.

Most immediately, we are deeply concerned about the effects of the crisis on SME performance in sectors with a high reliance on exports to Russia. This is especially the case in a number of developing and emerging economies where trade disruptions (beyond the immediate intent of any applicable sanctions) appear to be biting heavily on small businesses and smallholder farmers. These include: Ecuador (bananas), Sri Lanka (tea), Nigeria (cocoa) and Kenya (tea).

This disruption comes at a particularly unfortunate time given the well-known impact of the COVID-19 pandemic on SME balance sheets -- with a significant proportion of small businesses in our global network still facing an uncertain outlook entering 2022.

In this context, we urge the Fund and the Bank to urgently consider making available any institutional assets that can be deployed to help national governments cushion the unintended effects of the crisis on SMEs. We firmly believe that your respective institutions are uniquely placed to guide, support and enable the decisive interventions that will be needed to mitigate the economic ripple effects of the Russia - Ukraine conflict -- and avert the risk of it causing lasting damage to the productive capacity of many developing nations.

We stand ready to provide any support that might be helpful to your respective institutions in responding to this emerging risk. As an organization devoted to promoting peace and prosperity through international trade, we would be happy assist in any way that may be helpful.

My personal thanks to you both for your attention to this matter.

Yours sincerely,



John W.H. Denton AO
Secretary General of ICC