

## CMF Chairwoman Solange Berstein presented 1<sup>st</sup> Financial Capabilities Survey for Micro, Small and Medium-Sized Enterprises

*The survey, developed jointly with the Development Bank of Latin America and the Caribbean, measures levels of financial literacy by MSMEs to contribute to development of successful financial education programs and strategies.*

*It identifies knowledge, behavior and attitudes by entrepreneurs of small-sized firms on financial topics.*

**November 22, 2024** – Solange Berstein, Chairwoman of The Financial Market Commission (CMF), presented today the 1<sup>st</sup> Financial Capabilities Survey for Micro, Small and Medium-Sized Enterprises (MSMEs) at an event held in the Faculty of Management and Economics of Diego Portales University.

The Survey, a joint effort between the CMF and the Development Bank of Latin America and the Caribbean (CAF, for its Spanish acronym), measures levels of financial literacy by MSMEs and identifies knowledge, behavior and attitudes by entrepreneurs of small-sized firms on financial topics.

The study aims to contribute to the development of successful financial education programs and strategies. According to data of the Ministry of Economics, MSMEs represent 97 percent of businesses in Chile and generate 17 percent of the country's GDP.

“This survey contributes key information to develop public and private strategies for policies, actions and training aimed at entrepreneurs,” stated Chairwoman Berstein during her presentation.

This was followed by a panel discussion moderated by Nancy Silva, General Director of Studies of the Commission, featuring Dinorah Singer, Senior Executive of the Chile Office of CAF; Gabriel Pino, Associate Professor of the School of Administration and Economics of Diego Portales University; and Camilo Vio, Manager of Planning and Management Control of BancoEstado.

**Most MSMEs in Chile are microenterprises (67 percent) and are headed by men (72 percent on average),** according to the Survey. Women's

participation is proportionally higher in small-sized enterprises. Over half of entrepreneurships are under control of individuals over 60 years of age, and there is a positive correlation between enterprise size and entrepreneurs' financial literacy levels.

Per the Financial Capabilities Survey for Micro, Small and Medium-Sized Enterprises, 94 percent of those surveyed know a financial product, while 78 percent use it. The most well-known and widely used products are loans, credit and overdraft lines, and life insurance policies. The least known are property and liability insurance, factoring, and leasing.

## **Knowledge, behavior, attitudes**

The Survey builds a financial capacity index for MSMEs based on three dimensions: **knowledge, behavior, and attitudes**. Per this methodology, **the financial capacity of entrepreneurs surveyed is 64.5 percent**. Said figure increases on par with business size. While micro-sized enterprises have 63 percent of financial literacy, medium-sized businesses record 70 percent.

By age group and gender, the Survey shows that men between 40 and 59 years of age have the highest levels of financial literacy.

On the knowledge dimension, **less than half of those surveyed understand what an installment is**, and less than 60 percent know that interest payments increase with the term of a loan.

Regarding financial behavior, there is **a low level of understanding about the necessity of keeping separate accounts for businesses and households**; the importance of quoting financial products or services before acquiring them; or think about retirement. Conversely, the understanding of keeping track of finances and financing costs; project business profitability; and adjustments of plans.

As for financial attitudes, **entrepreneurs are mostly in favor of setting and accomplishing long-term financial goals** and trusting banks and investors to obtain financing. This is despite higher trust levels of instinct over financial planning.

## **Progress in digitalization**

Per the Survey, 29 percent of MSMEs have a website to showcase their products, and 25 percent use it to sell their products. Additionally, 36 percent use apps or open banking services to manage payments and commercial finances. This figure is the highest in medium-sized businesses at 50 percent.

Those surveyed point out that, although online sales represent below 10 percent of total sales, 29 percent of customers make online purchases and 36 percent of MSMEs pay their providers online. On the other hand, 23 percent of businesses use social media for advertising purposes.

Lastly, 70 percent of MSMEs show high commitment to the impact their investment decisions may have on society and the environment. Meanwhile, 50 percent of entrepreneurs surveyed influence their providers to get involved on the implementation of actions with low environmental impact.

### **Links to Relevant Resources**

- [1<sup>st</sup> Financial Capabilities Survey for Micro, Small and Medium-Sized Enterprises.](#)
- [Presentation by CMF Chairwoman Solange Berstein.](#)

---

Area of Communications, Education & Image — Financial Market Commission (CMF)

Contact: [prensa@cmfchile.cl](mailto:prensa@cmfchile.cl) | [Press Room](#) | [Subscribe to Relevant CMF Information](#)