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ENTREPRENEUR

INSPIRING STARTUPS AND ENTREPRENEURSHIP IN BAHRAIN

INTERVIEW

WITH

**SANJEEV
PAUL**

Group Chief Executive Officer
Bahrain Development Bank

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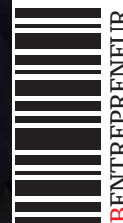
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BANKING ON EXPERIENCE

An Interview with
Bahrain Development Bank Group CEO, **SANJEEV PAUL**

Ever since it commenced operations in 1992, Bahrain Development Bank (BDB) has been an active player in the national strategy to stimulate and support entrepreneurial activity in the Kingdom of Bahrain.

With lack of access to capital being a primary obstacle in the startup and SME entrepreneurial ecosystem, BDB fills in the gap and plays a vital role as a game changer.

Sanjeev Paul is in the midst of BDB's continuing success story, across an evolving portfolio of tailor-made financial services. He is intent on sharpening BDB's focus and support for entrepreneurs at every stage of their life cycle.

With over three decades of international banking experience in diverse areas of banking, a sharp intellect and proven leadership ability, Sanjeev will play a critical role in Bahrain's banking scene.

He shares his insights and reveals plans for the future in support of Bahraini entrepreneurs.

But how did Sanjeev Paul reach the upper rungs of the banking and finance industry? What does it take to be the CEO of one of the Gulf's most influential financial institutions?

Tell us a little about yourself and your background?

I learnt my basic banking in one of the world's fastest-growing large economy that is constantly

faced with challenges and yet offers the biggest opportunities and potential for growth.

After graduating with a Bachelor's degree in Engineering from Delhi College of Engineering and an MBA in Finance and Marketing from the University of Delhi in India, I started my banking journey with Standard Chartered Bank and remained with that institution for over 30 years.

My last assignment with Standard Chartered Bank was in Singapore where I was the Regional Head of Commercial Banking for ASEAN & South Asia, and headed its commercial banking business across nine countries including markets in Singapore, India, Malaysia and Indonesia. Additionally, since 2016 I also am the Chairman of the Board of Directors of Standard Chartered Bank Vietnam Ltd. which I continued to do when I moved to Bahrain Development Bank.

I have gained exposure as the Global Head of Local Corporates and Commodity Traders for SCB, a business spanning around 30 countries including the Middle East and Bahrain. I also had the opportunity to set up SCB's Middle Market Business in India from scratch, a business which primarily serves the Small & Medium Enterprises (SMEs) in the country. Before that, I worked as SCB's Senior Risk Approver for five years as well as ran the Bank's Global Structured Trade Finance & Financing Solutions business.

You've been in Bahrain for nine months. Can

you tell us what you have done during this time?

I have been CEO of Bahrain Development Bank for a little over nine months. This has been a time to learn about BDB's business, mandate and our clients. It is clear to me that the country's leadership is very progressive and is pulling out all stops to help the entrepreneurs to start, scale up and grow their businesses. BDB is a fundamental pillar of this ecosystem that Bahrain has created to support entrepreneurs working alongside other great institutions like Tamkeen and the Ministry of Finance, MOICT and other institutions. So my mandate is clear- to make it faster, simpler and better for entrepreneurs to access capital and advisory services.

I'm glad to say that we are well on our way to make this happen. We are revamping our technology platform, reviewing our credit and approval processes and enabling our RMs to be more customers centric.

The core of Bahrain Development Bank is SME (Small and Medium Enterprises) lending, wherein the bank supports entrepreneurs by providing debt capital and financial support through loans for the purpose of setting up or facilitating business operations.

BDB actually covers the entire life cycle of a business – right from seed capital through our seed fuel programme, our coaching, mentoring





Rowad programme, our 2 incubators and more recently the USD 100m Al Waha fund of funds wherein BDB is a general partner.

Can you tell us a little more about BDB's initiatives?

BDB Group is implementing a number of development initiatives in the coming months in alignment with the goals of Bahrain Economic Vision 2030. The bank is redefining its operating models and is steering through new opportunities to elevate its role in the sector. It supports the national effort to promote the culture of entrepreneurship among the Bahraini youth and is continuously mapping clear directions towards increased job opportunities for them.

On a parallel path, BDB is expanding the scope of its investments in Small and Medium Enterprise sectors in terms of quantity and quality, with focus on projects of added value and investment opportunities across various economic sectors.

In regards to development

services, the bank is enhancing the capabilities of its advisory services with the launch of more specialized and comprehensive programs, improving the performance level of Rowad team, and coordinating with strategic partners such as Tamkeen to propose joint initiatives in new areas.

How does BDB differ from other banks in Bahrain?

BDB is more than just a bank. It is a vital institution that plays a key role in the Kingdom's growth and advancement by supporting entrepreneurs through their life cycle.

BDB's core is to provide financing to SMEs and startups. We have an entire suite of products like BDB Finance, BDB & Tamkeen Finance, Education Finance, Women's Business Finance Scheme or "Riyadat", Overdraft Facility, Agricultural Loans, Fisheries Loans, Letters of Credit and Letters of Guarantee. BDB, through its 100 % subsidiary Bahrain Business

Incubator Centre (BBIC), also runs incubators and the Farmers Market. We provide mentorship and offer subsidized facilities where entrepreneurs have the freedom to operate and grow their businesses in confidence. One of the incubators primarily focuses on women entrepreneurs. The Farmers Market in Hoorat A'ali is designed to enable Bahraini agricultural producers sell and market their products.

With Bahrain Development Bank, how do you get involved in the national strategy of the economic policy?

Bahrain Development Bank works very closely with many government organizations notably Tamkeen, all the Ministries and the Economic Development Board. Tamkeen guarantees a portion of the loans extended, subject to some conditions and at the same time subsidizes the interest which the customer pays to the bank.

How do you encourage SMEs and entrepreneurs to be sustainable and to continue in the scene for a long time?

The SME sector in most countries is more vulnerable to market shocks. This is largely attributed to limited management bandwidth and the lack of financial strength to remain resilient in times of crisis. SMEs generally fail because time and money are diverted towards unrelated opportunities which in turn expose the core business to risks. To mitigate this risk, BDB lends full assistance to SMEs from the beginning of their journey until the time they achieve success. The bank encourages and enables Bahraini entrepreneurs towards sustainability via the Rowad Program, which engages in training, mentoring, and imbibing relevant skills and competencies of entrepreneurs to ensure success in business. It is crucial for SMEs to adopt a business strategy and avoid risk factors during the early days of the enterprise. A slow, steady

growth and gradual integration of an organizational plan are vital to enable businesses to thrive in a positive pace.

What can you say about all these entrepreneurs coming up with new ideas and trends? What about Fintech?

A majority of seed fuel companies have ventured into technology-enabled businesses, as in these businesses it is possible to start with a small capital investment and then scale up quickly if the model is successful. While Bahrain itself is a small market, it provides a great opportunity to experiment and pilot ideas which can then be scaled up. These businesses are easier to go cross borders compared to brick and mortar businesses- and that is important for companies to be able to keep growing as Bahrain itself is a small market.

What is the contribution and vision of BDB for the next five years? My vision is for Bahrain to have a thriving SME sector, with a lot of startups graduating to become robust

SMEs and many SMEs graduation to become larger local corporates both in terms of revenues and more importantly are able to expand outside of Bahrain too.

For this to happen we need easy and convenient access to capital at affordable rates, a very active seed capital programme and a way to nurture startups so that they can grow into SMEs. BDBs seed fuel programme and now with the several accelerators coming up in Bahrain is a step in this direction.

A lot of guidance, coaching and mentoring will be required by entrepreneurs to enable them to cope with the more volatile business environment that is now the norm more than an aberration.

For more information:

www.bdb-bh.com



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