

Building Gender-Responsive MSME Ecosystems for Women: Data, Financing and Policies



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Women in Sri Lanka and South Asia

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Description	Sri Lanka		South Asia	
	Male	Female	Male	Female
Population %	48.1	51.9	51.1	48.9
Life Expectancy - Years	73	80	75	70
Maternal Mortality % (Deaths per 100,000 live births)		29		138
Parliament Representative %		5		9.5
Literacy Rate	94.3	92.3	81.5	66.9
Digital Literacy % (Age 5-69)	66.1	61.6		
Labour Force Participation Rate %	68.6	31.3	77	32

Labour Force Participation – Sri Lanka

Description	2023		
	Male	Female	Total
Urban	65.6	28.9	46.0
Rural	69.2	31.8	49.1
Total	68.6	31.3	48.6

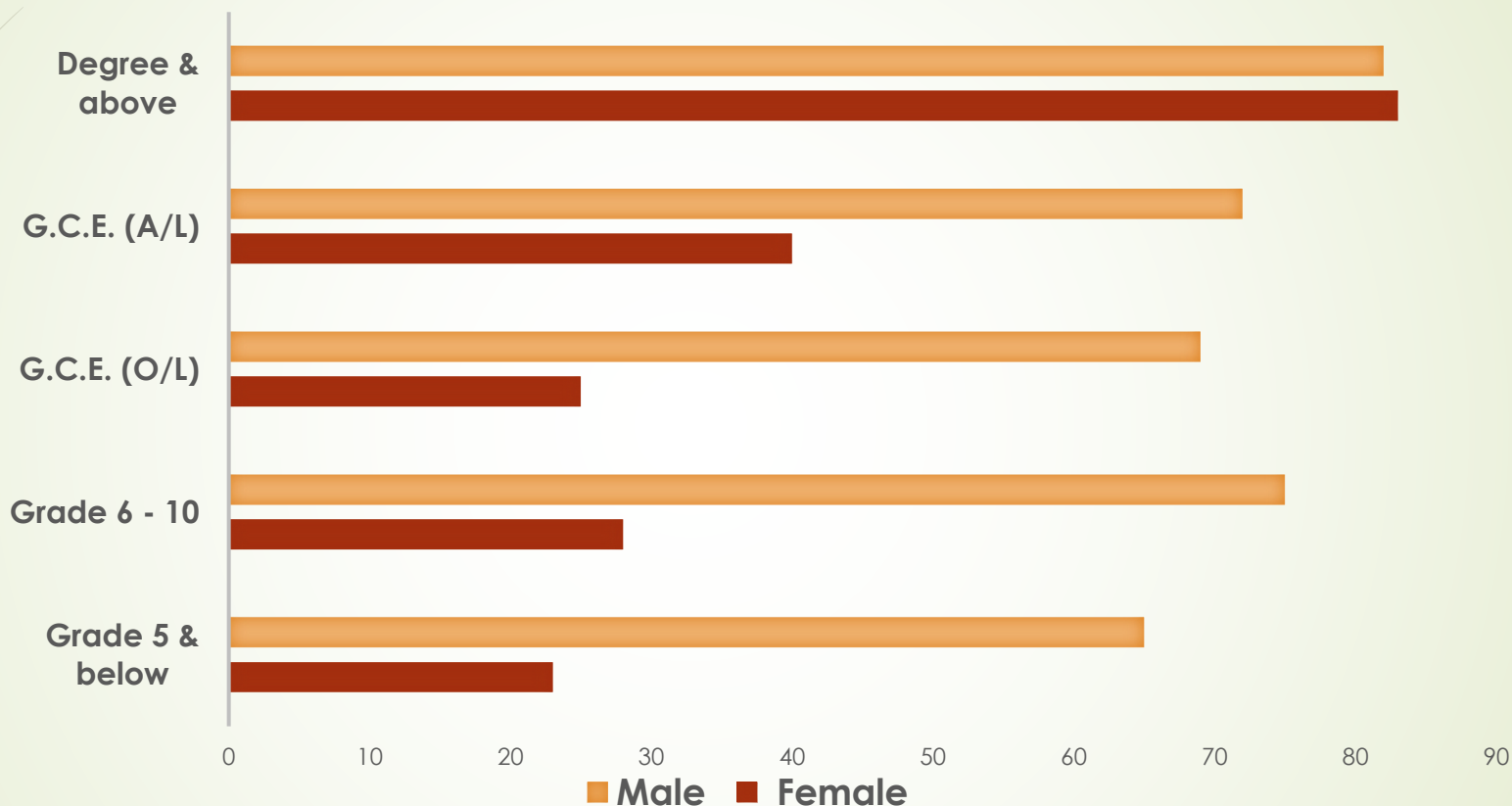
Public Sector Employees – Sri Lanka

Category	2024	
	Male	Female
Employees (Excluding Forces)	52.2	47.7
Teachers	22	78

Source: Department of Census & Statistics, Sri Lanka & World Bank

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Labour Force Participation Rate By Gender and Education Level



Source: Labour Force Survey - 2021

MSME in Sri Lanka

- MSME sector is an important strategic sector.
 - Account for over 75% of all enterprises,
 - Provide 45% of employment,
 - Export earning 20%
 - Contribute 52% of the Gross Domestic Product

Constraints and Challenges on Promoting Business Development of Women-led MSMEs and Entrepreneurs

- **Financial**

- Access to Finance
 - Inability to access capital when compare to men
 - Lack of financial literacy

- **Market**

- Lack of market accessibility
 - Lack of knowledge on foreign market
 - High cost for expansion & quality improvement

- **Policy**

- Non availability of favorable policies

- **Capacity**

- Skills Gap and Education
 - Absence of managerial skills which need to uplift the business
 - Low access to newest information and technology
 - Lack of networking of women

- **Cultural and Social**

- Cultural barriers (Responsibilities inside the family life as a dutiful wife and a mother)
 - Societal attitudes
 - Discriminations against women
 - Personal issues

Initiatives and Policy Measures

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- Introducing the national definition for 'women-led business' to banks and non-banks for gender-wise classification of data
- Making a mandatory requirement of providing a certain portion of loans out of the total loan portfolio for women entrepreneurs
- Providing We-Fi grant under SMELOC - the investment loans are being provided for women entrepreneurs at a concessionary interest rate for improving their ability for access to finance.
- Incorporated the National Credit Guarantee Institution (NCGI) and the NCGI are in the process of designing and launching a special guarantee scheme for women entrepreneurs
- The Ministry of Finance in collaboration with the CBSL is in the process of implementing the We-Finance Code
- Training the Women Entrepreneurs
- Suspension of Parate Law execution

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Government Efforts on Tracking Business Performance Data on Women-led MSMEs and Entrepreneurs

- Introducing the national definition for 'women-led business' to banks and non-banks for gender-wise classification of data
- Formulation of the We-Finance Code, which will promote evidence based policies and initiatives to support women-led businesses' to collect systematic sex disaggregated data collection across the banking sector.

Thank You

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