



Fostering Women's
Entrepreneurship
in the SME Sector
in Sri Lanka

Update

Mar 20 2015



OUTLINE

- Objectives
- Methodology
- Preliminary Findings
- Barriers Identified
- Recommendations

Objectives

- To ascertain the barriers to entry for women entrepreneurs and the issues faced by women entrepreneurs already in the SME sector with a view to advocating for a gender sensitive policy on SMEs, which will foster women's entrepreneurship in the SME sector.
- For these policies to create an enabling environment for entrepreneurship among both men and women, and foster an internationally competitive, robust and resilient SME sector committed to sustainable growth.

MAIN ASPECTS OF THE STUDY



Bottlenecks
& Barriers



Available
Policies

METHODOLOGY

- Conducting review of recent literature and growing around SME growth and women entrepreneurship in Sri Lanka
- Focus Group Discussions with women entrepreneurs, and key information interviews and selected stake holders such Banks, SME Mandated Govt Institutions and SME Sector Specialists

Methodology: Data Collection

- FGDs
 - 1 FGD
 - Different Stakeholders including members - 30 participants
- KIIs
 - Govt Officers
 - SME Advisory Committee (NEDA) (Min of I & C)
 - Private Sector Entrepreneur Award Winners
 - Researchers

Snap Shot

Much issues raised came under the umbrella item of “Business Development Services” – BDS; lack thereof and need to have more of it.

Including:

- Improved access to markets
- Access to know how
- Knowledge on marketing products
- Financial literacy
- Networking
- Mentorship etc.

Key Issues Emerged in FGD & KIIs

- Lack of Agency and Cultural Barriers
- Challenges in Accessing Markets and Information
- Access to Finance Constraints
- Government Institutional Support

RECOMMENDATIONS

ACCESS TO FINANCE

- Mandated loan portfolios for Women Entrepreneurs
- Gender Sensitive Bank Branches

MENTORING & BDS

- With limited availability of formal BDS providers across the country and poor contribution by govt. institutions in this either, chambers like WCIC to make a strong contribution.

ACCESS TO MARKETS

- Shared Marketing Platforms
- Assistance to Get On – Line
- General – form linkages

Other Recommendations

- Job Bank for Access to Skilled Workers so enterprises had access to them
- Easing Regulatory Burdens



Choosing Low Hanging Fruits

WCIC's Current Status

Gender Sensitive Bank Branches

- Having the 2nd FGD on April 23 2015 with the support of Central Bank and Association of Professional Bankers in collaboration with govt institutions like NEDA and Bank SME Heads. Met with BOC, etc.
- Aim: Discuss available services and gender sensitivity training programmes to inculcate women friendly banking practices among branch managers and loan officers. Awards schemes to be launched to recognise banks or branches that implement the best

WCIC's Current Status

- Easing Regulatory Burdens:

Already in discussion with National Enterprise Development Authority (NEDA) together with the chamber to review business regulatory constraints faced by women entrepreneurs and advocate streamlining.

Use the available "Issue Tracker" system implemented by NEDA to be leveraged to flag policy issues and follow them step by step to implementation/redress.

WCIC Status

- Consultative Policy Making

We have been invited by the Ministry of Industry & Commerce to have 2 seats possibly under a new Advisory Committee for Women Entrepreneurs under the Ministry of Industry and Commerce.

WCIC STATUS

- Mentoring and Business Development Services:

International Finance Corporation and they have offered to support and fund WCIC through a series of Financial Literacy Programmes for women smes across the country.

- BDS

Responsible Financing

Have WCIC come on board with this program to work with Financial Institutions at microfinance levels and banks to adopt responsible finance practices catered to foster women entrepreneurship. Main areas of assessment include:

- (I) Market Assessment: considers the existence of regulations relevant to fulfill responsible finance practices and whether institutions can achieve their commitment and capacity to adopt responsible finance practices;
- (II) Institutional Assessment: covers core operational areas in financial institutions: (1) Strategy and Governance; (2) Customer Acquisition & Relationship Management; (3) Products Offered; (4) Delivery Channels; (5) Process & Risk Management; and
- (III) Financial Education: includes internal practices and broader external initiatives.

THANK YOU

WCIC SRI LANKA