

Opening Remarks

Secretary, Ministry of Industries of Sri Lanka

International Workshop on Strengthening National Capacities for Enhancing Micro, Small, and Medium-Sized Enterprises Resilience

Organized by UNDESA

Addis Ababa, Ethiopia

Distinguished guests, esteemed colleagues, respected organizers, and delegates from around the world,

It is my privilege to address you today at this important workshop on “Strengthening National Capacities for Enhancing Micro, Small, and Medium-Sized Enterprises Resilience.” I extend my gratitude to the United Nations Department of Economic and Social Affairs for organizing this event and for recognizing the critical role of MSMEs in accelerating the implementation of the 2030 Agenda and the Sustainable Development Goals. We come together today to explore innovative solutions to common challenges, to exchange knowledge, and to reaffirm our commitment to building resilient economies that work for all.

As the Secretary of the Ministry of Industries of Sri Lanka, I bring with me the experiences and insights from our country, a nation that, like many others represented here, relies on the strength and resilience of its MSME sector to drive economic growth, create jobs, and foster social equity. In Sri Lanka, MSMEs constitute over 90% of all businesses and employ more than half of our workforce. This sector is not only a cornerstone of our economy but also a vital component in our pursuit of sustainable development.

However, as we all know, MSMEs face tremendous challenges, particularly in developing countries. From limited access to finance and technology to vulnerability to external shocks such as climate change and global health crises, MSMEs must overcome numerous barriers to thrive. Our shared task at this workshop is to address these barriers and to design solutions that will empower MSMEs to become engines of sustainable development.

Today, I would like to highlight three key areas where I believe our efforts must focus to support MSMEs and foster resilience as we work toward achieving the Sustainable Development Goals.

1. Creating an Enabling Policy Environment

A resilient MSME sector begins with a supportive policy and regulatory framework. Governments play a crucial role in creating an environment that fosters innovation, encourages growth, and protects MSMEs from economic shocks. In Sri Lanka, we have seen that simplified regulatory processes, fair taxation policies, and effective legal frameworks are essential in helping MSMEs grow and thrive.

Moreover, to build resilient MSMEs, it is vital to promote policies that support digital transformation. In an increasingly digital world, MSMEs must have access to technology and digital tools that enhance productivity and connect them to new markets. In Sri Lanka, we have launched initiatives aimed at supporting digital adoption among MSMEs, recognizing that digital transformation is a cornerstone of resilience.

2. Improving Access to Finance

Access to finance remains one of the most significant challenges facing MSMEs, especially in emerging economies like Sri Lanka. Without adequate financing, MSMEs struggle to expand, innovate, or invest in resilience-building measures. Financial inclusion must therefore be a top priority if we are to create resilient, sustainable MSMEs.

In Sri Lanka, we are actively exploring partnerships with banks, microfinance institutions, and international development partners to improve MSME access to capital. Innovations in digital finance, such as mobile banking and fintech solutions, have already started to bridge the financing gap in underserved areas. We are also working to develop mechanisms for risk-sharing and guarantee schemes to support small businesses that may lack collateral but demonstrate high growth potential. Such initiatives, when combined with targeted financial literacy programs, can significantly enhance MSME resilience.

3. Building Capacity for Climate and Crisis Resilience

As we have all witnessed, MSMEs are highly vulnerable to external shocks, from economic downturns to natural disasters and, most recently, the global pandemic. Climate change, in particular, poses a severe threat to MSMEs, many of which rely on natural resources or operate in sectors that are directly affected by climate risks. In Sri Lanka, we have seen firsthand the impact of these challenges on our MSME sector, and we are committed to helping our small businesses build resilience to climate and other crises.

Capacity-building programs that focus on climate adaptation, disaster preparedness, and risk management are essential. In Sri Lanka, we are collaborating with international organizations to provide MSMEs with training on sustainable practices, resource efficiency,

and climate risk assessment. We are also working to integrate MSMEs into green value chains, recognizing that sustainable business practices are essential for long-term resilience. By encouraging environmentally sustainable practices and promoting green entrepreneurship, we can help MSMEs mitigate risks while contributing to global climate goals.

Harnessing the Power of Collaboration and Knowledge Sharing

Ladies and gentlemen, as we work to build resilient MSMEs, we must recognize the power of collaboration. MSMEs do not operate in isolation; they are part of larger economic, social, and environmental ecosystems. Building their resilience therefore requires coordinated efforts across sectors and borders. Through international partnerships and knowledge sharing, we can learn from each other's successes and challenges, adapt best practices to our unique contexts, and develop innovative solutions that address the specific needs of our MSMEs.

This workshop exemplifies the value of such collaboration, bringing together policymakers, industry experts, and development partners from around the world to share insights and experiences. The ideas we exchange here will undoubtedly inspire new approaches and generate actionable strategies that we can implement in our respective countries.

In conclusion, I want to emphasize that building resilient MSMEs is not just an economic imperative; it is a social and environmental one as well. MSMEs are the backbone of our economies, the innovators in our communities, and the engines of sustainable development. Our shared commitment to strengthening the resilience of MSMEs will play a central role in achieving the 2030 Agenda and the Sustainable Development Goals.

In Sri Lanka, we remain dedicated to empowering our MSMEs, and we recognize that the path to resilience requires continuous learning, adaptation, and collaboration. I am optimistic that, through our joint efforts, we can create a future where MSMEs thrive in the face of challenges and contribute to a sustainable and inclusive global economy.

Thank you once again for the opportunity to address this distinguished audience. I look forward to the insightful discussions ahead and to working together to advance the resilience and prosperity of MSMEs worldwide.

Thank you.