

**Draft opening statement of Mr. Amson Sibanda, Chief of the National Strategies and Capacity Building Branch, Division for Sustainable Development Goals, UNDESA**

**Webinar on “Impacts of the Covid-19 on the MSME sector in Sri Lanka”**

4 June 2020

Distinguished guests,

Ladies and gentlemen,

I am the chief of the National Strategies and Capacity Development Branch in the Division for Sustainable Development Goals at the Department of Economic and Social Affairs, the United Nations (DESA/DSDG), and I am very pleased to join you at this webinar on “Impacts of the Covid-19 on the Micro, Small and Medium Enterprise (MSME) sector in Sri Lanka”. This webinar touches upon an important topic as the novel Covid-19 pandemic has evolved into both a health and an economic crisis for developing countries, including Sri Lanka. I am very pleased that DESA/DSDG at the UN is co-hosting this webinar together with the recently established Ministry of Small and Medium Business and Enterprise Development and the Ministry of Industries and Supply Chain Management. I am delighted to note that the Secretaries of both Ministries are with us today. We very much look forward to hearing from Mr. Monty Ranatunga, Secretary of the Ministry of Small and Medium Business and Enterprise Development and Mr. J.A. Ranjith, Secretary of the Ministry of Industries and Supply Chain Management today. We are very pleased to see the level of commitment of both Ministries and we hope to continue our strong partnership with both Ministries.

Micro, small and medium enterprises (MSMEs) are important economic engines of developing countries. They contribute to economic growth, poverty eradication and generate employment and livelihood opportunities, especially for women, youth, migrants and other vulnerable groups. Unfortunately, MSMEs are bearing the brunt of the economic slow-down inflicted by the Covid-19 outbreak. In this context, the report on “Impacts of the Covid-19 on the MSME sector in Sri Lanka”, produced by Mr. Padmasiri Gunawardana the national consultant with whom we have worked, has proved to be a useful and timely knowledge product.

The report provides useful information on the impact of the Covid-19 pandemic on MSMEs in different economic sectors. It also provides an overview of policy measures the government of Sri Lanka has launched to support MSMEs during the immediate emergency response to the Covid-19 pandemic. In addition, the report shares interesting examples of how MSME entrepreneurs in Sri Lanka have taken the initiative to improve business continuity and quick recoveries from the economic crises posed by the pandemic.

Through the project of “Enhancing national capacities for unleashing potentials of MSMEs in achieving SDGs in developing countries”, funded by the UN Peace and Development Fund, UN DESA/DSDG has worked closely with the Government of Sri-Lanka on optimizing the institutional structure for enhancing MSME resilience to external shocks, including the Covid-19 pandemic.

Ladies and gentlemen,

At the time when the world is moving from the emergency response to the recovery phases to the Covid-19 pandemic, your deliberations today will help

highlight specific challenges faced by MSMEs in Sri Lanka. If past economic shocks are any guide, the effects of the Covid-19 crisis may linger, constraining global trade and tourism, hampering remittance flows and bringing uncertainties in foreign direct investment and domestic credit in longer terms.

Therefore, it is critical to ensure sustained policy support would be tailor-made and targets specific needs of MSMEs if we are to ensure a job-rich recovery from the COVID-19 pandemic. I hope today's discussions will contribute to identifying gaps, challenges and opportunities in policy responses supporting MSMEs, particularly those protecting MSMEs, jobs and incomes in Sri Lanka. All recovery programmes should remain firmly anchored in the 2030 Agenda and the Sustainable Development Goals.

Thank you very much for your attention and I look forward to fruitful deliberations.

\*\*\*