

DFCC Bank Partners with USAID

Posted on



Julie Chung, U.S. Ambassador to Sri Lanka (sixth from left), handed over the agreement to Thimal Perera, Director/CEO, DFCC Bank (seventh from left), in the presence of other officials.

Sri Lanka's Micro, Small, and Medium Enterprises are the backbone of the nation's economy. They account for up to 45 percent of job creation, makeup nearly 75 percent of Sri Lanka's businesses, and contribute 52 percent of GDP. However, the MSME sector often faces challenges in obtaining financing facilities from banks. This is usually because these businesses have not had enough time to build a sufficiently long and credible track record, leading to potential underperformance within the sector, particularly among women-owned and managed MSMEs.

Understanding these challenges, and seeking to support Sri Lanka's MSMEs, DFCC Bank, has entered into a partnership with USAID CATALYZE Private Sector Development Activity (PSD), implemented by The Palladium Group, to finance MSMEs, with a focus on women-led enterprises. The partnership was entered into with the signing of an MoU between the two organizations. It will target specific high growth sectors, including tourism, ICT, commercial

care, apparel, food processing and others.

Thimal Perera, Director and CEO, DFCC Bank, said, "As the Bank for everyone, we are very pleased to announce this partnership. It will truly enable us to provide and create opportunities for growth and development for Sri Lankan businesses. We are very much aware of the challenges faced by MSMEs. This special partnership will enable us to strengthen the competitiveness of our high potential industries. While also helping to engage women as business owners and employees effectively. DFCC Bank will also provide advisory services and other non-financial assistance to guide MSMEs towards the path to success."

The partnership will focus on three primary objectives, linked together by the core theme of inclusion and promotion for women. The three primary objectives of this partnership are to create improved capacity and competitiveness among MSMEs, increase accessibility and availability of financing for these businesses, and increase economic resilience to help overcome the impacts of covid-19 on Sri Lanka's economy.