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Expanding economic opportunities of rural women in agriculture: Lessons learnt from microfinance programme of the Samurdhi Social Safety Net

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The specific objective of this study was to investigate empirically the economic opportunities available for rural women engaged in agricultural production and processing activities to develop their entrepreneurial skills and enterprises with the microfinance facilities from the major social safety net in Sri Lanka – the “Samurdhi Program”. The respondents (n = 60) were selected using Stratified Random Sampling techniques from five rural Grama Niladhari Divisions in the Pannala Divisional Secretariat Division of the Kurunegala District based on the information gathered from respective Samurdhi Rural Banks. Each respondent was subjected to a personnel interview with the support of a pre-tested structured questionnaire followed by a site visit to observe their economic activities during February to March 2010. The issues examined include the existing economic opportunities, problems faced by the recipients in developing their skills and enterprises and suggestions to improve the microfinance system in terms of technical and institutional support in transforming potential income generation opportunities into actual entrepreneurial activities. The data were analyzed using both exploratory and quantitative techniques (ranking, development of additive indices) based on the responses provided on multi-point Likert scales. The results show that the financial services provided to beneficiaries “alone” is merely a necessary condition for developing entrepreneurship skills of women in agriculture but not sufficient until they are “coupled” with appropriate credit-plus services.