#### WTO Informal Working Group on MSMEs Geneva, 8 February

# G20 Non-binding Policy Toolkit: Promoting Born Green via Digital MSMEs in Global Supply Chains

- context, process, content -

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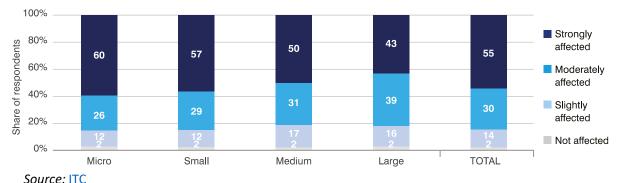
Director, Division on Investment and Enterprise
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#### **Context:** why the toolkit?

- G20 priorities under the 2021 Italian Presidency: People, Planet, Prosperity
- Disproportionate impact of COVID-19 on MSMEs



- 3/5<sup>th</sup> of micro and small companies were strongly affected
- 1/4<sup>th</sup> risked shutting down permanently
- Women- and youth-led firms suffered the most

MSMEs backbone of global production system

- 99% of firms
- 70% of jobs
- 50+% of global value added



Any build-back-better effort needs to focus on MSMEs and entrepreneurship





#### **Opportunity:** A new generation of born green MSMEs

#### Green

- ESG standards
- SDG contributing





#### Digital

- Trade
- Investment

### Born-green via digital:

- Green startups and entrepreneurs
- Green transition of existing MSMEs





Entrepreneurs





#### **Process:** a participatory approach

March 2021  UNCTAD, ITC, OECD, WB and WTO proposed a conceptual framework at the 1st meeting of the TIWG

April-June

 G20 members shared their policy experience and initiatives in each area of the framework

July 2021

UNCTAD compiled G20 inputs into a rich policy compendium

September 2021

• The policy practices, initiatives and lessons learnt were translated into a coherent policy toolkit by UNCTAD under the guidance of the Italian Presidency

October 2021

 The policy toolkit was adopted by the G20 TIWG and reflected in the G20 Trade and Investment Ministerial statement





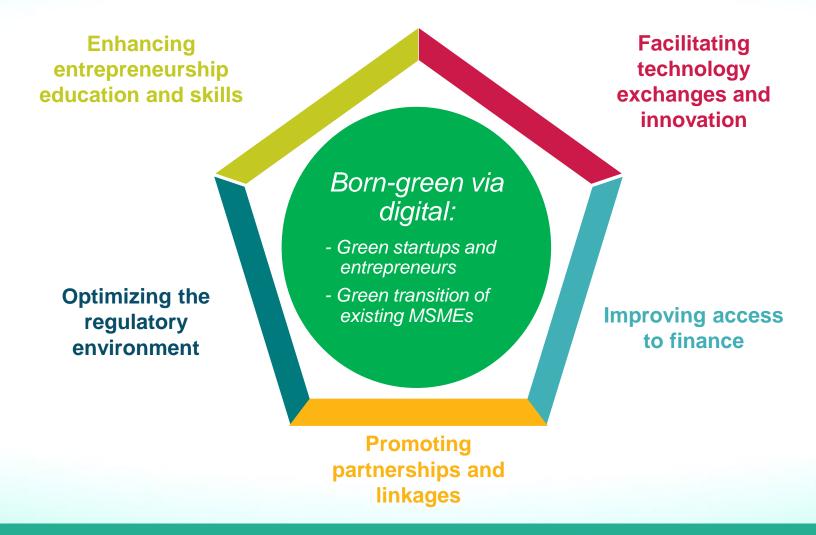
#### **Challenges: traditional and new ones**

Traditional	New
Access to finance	Low-carbon transition and access to green finance
Access to basic technology and innovation systems	Access to sophisticated digital technologies
Access to value chain and markets	Access and presence in online marketplace
Compliance with the regulatory regime	Compliance with <i>green</i> regulations and standards
Access to traditional entrepreneurial skills	Access to specific knowledge and skills





## A born green via digital policy toolkit: Framework and key elements





#### Way forward: the toolkit as a shared resource

- Blends the concrete policy experiences of the world's major economies with the expertise of the international organizations in enterprise development
- Can inform further discussions and exchanges on best practices, as well as experiences in implementation and lessons learned within the G20
- Can provide a reference for non-G20 countries looking to support both existing and new entrepreneurs and MSMEs in the green and digital transformation
- Can inform effective policy support and technical assistance in MSMEs and entrepreneurship development





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#### Thank you!

#### **James Zhan**

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