



International
Trade
Centre

TRADE IMPACT
FOR GOOD

GreenToCompete

WTO MSME Informal Working Group

Ana Batalhone, Project Manager
February 08, 2022



MSMEs in the green transition

Competitiveness forces

1. Value chain risks from climate hazards (product quality, costs/margins, logistics)
2. Environmental externalities of business (emissions, waste, input efficiency)
3. Opportunities in environmental markets (e.g. climate services, certified products).

Observed challenges

- Limited awareness of opportunities and the business case for “going green”
- Limited access to adaptation skills and technologies (markets, tariffs etc.)
- Low productivity
- High costs of investment and compliance with market access requirements (e.g. VSS)
- Limited access to climate finance and insurance, particularly by small-holders.



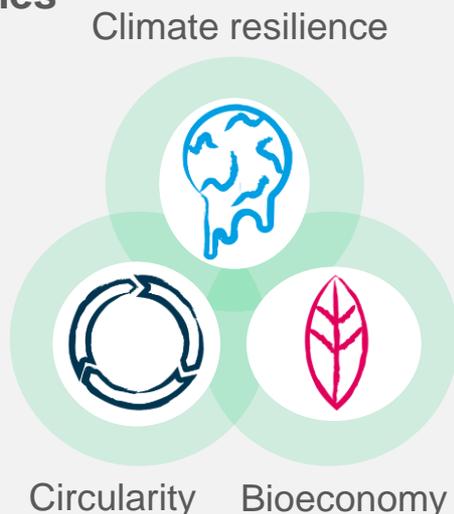
Green Aid for Trade

- Improve stakeholder **understanding** of value chain risks and opportunities
- Define **strategies** to address risks and grasp any opportunities
- Build MSME **capacity** to **strengthen resilience** and **thrive in green markets**

GreenToCompete - Activating green trade

GreenToCompete is ITC's Activator towards a green economy that profits both planet and people.

Key themes



How we activate

- **Agenda setting:** Policy and data
- **Markets & Finance:** Work with ecosystems actors to unlock green technologies, services and finance for MSMEs and to connect them to sustainable markets
- **Green capacity:** Support MSMEs to drive green change

Activation channels

- Capacity building, tools & methodologies
- GreenToCompete Hubs and networks
- Platforms for dialogue and events
- Thought leadership

Our clients

- SMEs and ecopreneurs
- BSOs
- Policy makers
- Mainstreaming in ITC



Circular economy

- **Resource Efficiency and Circular Production (RECP) Toolkit** to support SMEs to use resources (water, energy, chemicals) more efficiently and implement circular production practices (reuse waste)
- **Coaching programme:** sector and sustainability experts assess current practices on site and calculate the business case to implement RECP measures
- **16 countries** in textiles & clothing as well as agri-processing sectors
- **Impact:** contributes to pollution and CO2 emissions reduction
- **Scale through development of online platform** for MSMEs to assess their environmental performance, and to provide training on how to improve their performance through the GreenToCompete virtual learning space

Climate resilience

- **Assessment of climate risks and opportunities** in value chains as well as the identification of climate technologies to actively build resilience
- **Online platform** to provide transparency about climate impacts and opportunities in different value chains under development
- **Direct work with MSMEs through Climate resilience toolkit** to supporting them to adapt to climate change through risk assessment and the definition and implementation of adaptation strategies – implemented through a coaching programme
- **Publications:**
 - 2021 SME Competitiveness Outlook on the green recovery
 - 2022 Handbook for development practitioners on climate resilience

Green finance

- **Green finance landscape mapping** providing an overview of green financiers and the conditions for MSMEs to access finance
 - Three upcoming publications on Kenya, Ghana and Vietnam
- **Coaching methodology** so support MSMEs to access finance for the implementation of green projects through a three-step approach: i) financial diagnostic and health check of the MSME, ii) direct coaching to help MSMEs to address gaps, iii) support to connect them with financiers and develop bankable business plans and investor pitch decks
- **Partnership with the eco.business Fund** to provide a self-assessment solution for businesses to assess their compliance against sustainability standards and potentially access preferred bank loans based on their sustainability score.

Agenda setting and advocacy

- Supporting policy makers and stakeholders both locally and multilaterally to establish an enabling policy ecosystem for MSMEs to go green by:
- Shaping **international trade and environment policy**:
 - Series of informal dialogues in collaboration with UNEP and the Geneva Graduate Institute to ensure that priorities of developing countries are reflected into ongoing **multilateral processes on trade & environment (COP, TESSD, WTO discussions CTE, Stockholm +50)**
 - **Contribute to agenda setting** for policy makers (e.g. through policy briefs)
- Informing **national trade and environment policy**, e.g. through greening of national export and sector development strategies – paper in collaboration with Kenya will be published in Q1 or Q2 2022

The GreenToCompete Hubs

A global network of **GreenToCompete Hubs** activating MSMEs to go green by:

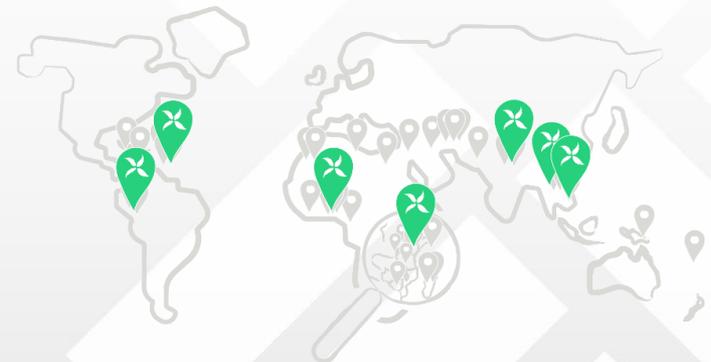
- **Sustainability:** Created a framework for building the capacity and funding for offering green services for MSMEs and formed a global network to drive the green transition
- **Scalability:** to “quickly” implement and scale new green offerings globally through multiplier effect
- **Innovation:** Developed a series of green service offering for MSMEs
- **Advocacy:** Inspiring and advising other BSOs to develop green services for MSMEs & shaping green trade policy makers and ecosystem stakeholders to build enabling environments

First set of countries:

Caribbean - Barbados, Guyana and St. Lucia, Ghana, Kenya, Laos, Nepal, Peru and Viet Nam

Main sectors:

Agri-food, natural ingredients, textile & clothing and eco-tourism



GreenToCompete Hubs: Strengthening green competitiveness

– of more than 4500 MSMEs directly by end of 2022



Enhancing competitiveness

Scancom, Viet Nam:
Increasing resource efficiency and improving productivity



Increasing Sales

Shiwi, Peru: Selling sustainably sourced food ingredients from the Amazon online



Accessing green finance

Miyonga, Kenya:
Investment of 300k USD secured for mobile solar drying truck to reduce waste

Thank you

GreenToCompete: greentocompete@intracen.org

Ana Batalhone: batalhone@intracen.org