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

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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

  ![Bar Chart]

  - 3/5ths of micro and small companies were strongly affected
  - 1/4th 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 startups and entrepreneurs
- Green transition of existing MSMEs
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 2021**: 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

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<thead>
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<th>Traditional</th>
<th>New</th>
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<tr>
<td>Access to finance</td>
<td>Low-carbon transition and access to green finance</td>
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<tr>
<td>Access to basic technology and innovation systems</td>
<td>Access to sophisticated digital technologies</td>
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<td>Access to value chain and markets</td>
<td>Access and presence in online marketplace</td>
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<td>Compliance with the regulatory regime</td>
<td>Compliance with <em>green</em> regulations and standards</td>
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<td>Access to traditional entrepreneurial skills</td>
<td>Access to specific knowledge and skills</td>
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A born green via digital policy toolkit: Framework and key elements

- Enhancing entrepreneurship education and skills
- Facilitating technology exchanges and innovation
- Optimizing the regulatory environment
- Improving access to finance
- Promoting partnerships and linkages

Born-green via digital:
- Green startups and entrepreneurs
- Green transition of existing MSMEs
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
Thank you!