



DRAFT AGENDA¹

SMALL BUSINESS ACT (SBA) ASSESSMENT

Regional Policy Dialogue Meeting

"SMEs in a Green Economy"

Assessing the Implementation of the Small Business Act for Europe

Friday, 9 March 2018 OECD Conference Centre, Paris Room CC 12

#OECDseeurope

OECD Global Relations South East Europe

¹ This meeting is not a meeting of an official OECD body.



THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The Organisation provides a setting where governments can compare policy experience, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies. <u>www.oecd.org</u>

The OECD South East Europe Regional Programme was founded by the Stability Pact for South East Europe in 2000. It supports Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia, Kosovo*, Moldova, Montenegro, Romania, Serbia and Turkey (as an European Union (EU) candidate) in boosting economic growth, investment and employment through targeted competitiveness reforms. The Programme's work is structured around five expertise: main areas of Enhancing Competitiveness, Innovation Policies, Reduced Barriers to Investment and Trade, Smart Industrial Policy and SME Policy.

WHAT ARE THE SBA ASSESSMENT AND THE SME POLICY INDEX?

The SBA Assessment monitors the progress in the implementation of the ten principles of the Small Business Act for Europe and measures convergence towards EU practices and standards.

The dedicated methodology – the SME Policy Index – was specifically developed by the OECD and partner organisations in 2006 in order to apply the SBA in EU pre-accession economies. The Index identifies strengths and weaknesses in policy design, implementation, monitoring and evaluation; allows for comparison across economies; and measures convergence towards EU SME policy standards.

The purpose of the SBA Assessment is to improve SME policy-making in partner economies and to enhance the capacity of policy-makers and institutions to foster entrepreneurship. It aims to support governments in setting targets for SME policy developments and strategic priorities to further improve their business environments. It also engages governments in policy dialogue and facilitates the exchange of experiences within the region and with the partner organisations.

THE EVENT

Policy makers are increasingly interested in achieving a sustained economic growth and development without environment. harming the Reducing the environmental impact of SMEs presents one of the key factors in this regard, given that SMEs constitute a vast business population. majority of Decreasing environmental footprint can also be observed as an important business opportunity for SMEs; however they are often faced with a number of limitations in improving their environmental performance (sizerelated obstacles, financial limitations, skill deficit and knowledge constraints).

Against this background, the fourth regional policy dialogue meeting will serve as a platform to discuss SME greening policies and exchange country experiences and lessons learned. It will convene over 60 senior policy-makers, representing various ministries and SME agencies from the Western Balkans and Turkey as well as senior representatives from the private sector.

The primary objective of the regional policy dialogue is to discuss policies that would facilitate smooth and successful transition of SMEs towards greener economy. By presenting various good practices from OECD/EU countries and hearing private sector testimonials, the meeting will showcase the tangible benefits of implementing these policies for enhanced productivity, competitiveness, as well as creating new business opportunities.

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* This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo's declaration of independence.

REGIONAL POLICY DIALOGUE

"SMEs in a green economy"

9:00-17:30 - Room CC 12

8:45-9:00 REGISTRATION COFFEE

9:00-9:05 WELCOME AND INTRODUCTION

Ms Marzena Kisielewska, Head of OECD South East Europe Division

9:05-9:30 OPENING SESSION

Ms Gabriela Ramos, OECD Chief of Staff and Sherpa **Ms Joanna Drake**, Deputy Director-General for Mobility and Environment, DG Environment, European Commission

9:30-11:00 SESSION 1: BUILDING A CASE: TURNING ENVIRONMENTAL CHALLENGES INTO OPPORTUNITIES

With growing global environmental concerns, OECD and EU countries are increasingly recognising the importance of achieving a sustained green growth. As SMEs account for more than 90% of total business population, specific focus is put on them in making the transition towards a more environmentally friendly economy. In addition, going green represents a new source of revenues, cost savings, job creation and, consequently increased productivity.

The first session will set the stage for discussions on SME greening by underlining the opportunities of going green and the barriers SMEs face on that path. The challenges encountered by SMEs whilst making green transition will be discussed from the perspective of the business community. Subsequently, the European Commission will present its Green Action Plan so as to help SMEs take advantage of the opportunities offered by the transition to a green economy. Finally, the session will give an overview of the SME greening policies in the Western Balkans and Turkey and highlight the ongoing challenges in the region, drawing on the findings of the 2016 SME Policy Index.

Moderator: Mr Arno Behrens, Associate Senior Research Fellow, CEPS

 <u>SME challenges in making green transition</u> Mr Guido Lena, Director for Sustainable Development, UEAPME (The European Association of Craft, Small and Medium-sized Enterprises)

- Improving competitiveness while reducing environmental impact: Green Action Plan for SMEs
 Ms Joanna Drake, Deputy Director-General for Mobility and Environment, DG Environment, European Commission
- <u>SME Policy Index: Main Challenges of SME Greening in the</u> <u>Western Balkans and Turkey</u>

Ms Jovana Pavlović, Policy Analyst, South East Europe Division, OECD Global Relations Secretariat

Key questions:

- What are the major obstacles that prevent companies from adopting environmentally friendly practices?
- How to maximize business opportunities of going green?

General Discussion

11:00-11:15 COFFEE BREAK

11:15-12:45 SESSION 2: DESIGNING GOOD ENVIRONMENTAL POLICIES SUPPORTING GREEN TRANSITION OF SMES

Governments have traditionally played an active role in designing and implementing key instruments to promote environmental compliance and green business practices. However, while doing so, they need to put special efforts in designing policies in a way that business benefits to SMEs outweigh both the direct and indirect costs.

In this context, the session will present the ongoing OECD work on developing environmental policies for SMEs. Subsequently, the Ireland's example on providing advice and guidance for SMEs to deliver substantive resource efficiency improvements and cost savings, through waste prevention and reductions in water and energy consumption will be presented, and its applicability in the Western Balkans and Turkey will be discussed. The last part of the session will focus on other actors that offer assistance to SMEs in their endeavour to "go green" – the technology park in Istanbul, which serves as an incubator and accelerator for innovations, including eco-innovations.

Moderator: H. E. Annika Markovic, Permanent Representative of Sweden to the OECD

- Environmental Policy Toolkit for Greening SMEs Mr Eugene Mazur, Policy Analyst, ENV/EPI, OECD
- Ireland's experience in providing support to SMEs regarding resource efficiency and cost savings Mr James Hogan, Programme Manager, Green Business Initiative, Ireland

 <u>Other actors assisting SMEs in their green transition: Technology</u> park ITU ARI Teknokent, Istanbul

Dr Deniz Tunçalp, Chief Marketing & Operations Officer, ITU ARI Technopark; Associate Professor of Management, ITU, Turkey

Key questions:

- What are the ways to encourage adoption of resource efficiency actions among SMEs? And specifically, what advice and guidance programmes can be introduced by the government to achieve this?
- Can multi-stakeholder partnerships accelerate the transition of SMEs to a greener economy?

General Discussion

BUFFET LUNCH – Roger Ockrent room 12:45-14:00

OECD Château de la Muette

14:00-15:30 SESSION 3: ENHANCED "ACCESS TO FINANCE" TO BOOST SME GREENING

The extent to which SMEs deliver on expectations of contributing to the green economy hinges significantly on their access to finance. The lack of financing options is deterring SMEs in transition to the green economy as finding reliable financing partners remains difficult for both, the green SMEs and conventional SMEs working to improve environmental performance.

The session will provide some good practice examples regarding different types of financial support for the greening of SMEs. More specifically, government programs to increase SME Greening investment levels, ranging from grants, preferential loans, will be discussed. Subsequently, the session will review multi-stakeholder partnerships as potential avenues to support the financing of SME greening. Lastly, financial issues that the SMEs in the region are experiencing when making green transition will be highlighted.

<u>Moderator</u>: **Mr Guido Lena,** Director for Sustainable Development, UEAPME (The European Association of Craft, Small and Medium-sized Enterprises)

- <u>Public programs to encourage environmental investments</u> Mr Madis Kareda, Development Manager, Environmental Investment Centre Estonia
- <u>Croatia's experience in improving Access to Finance for green</u>
 <u>SMEs</u>

Mr Dubravko Ponoš, Director, Environmental Protection and Energy Efficiency Fund (EPEEF), Croatia Mr Goran Korać, General Manager, Promo-21, Croatia • <u>SMEs' financial challenges in Western Balkans to go green</u> Mr Safet Gerxhaliu, Member of the Managing Board of the Western Balkans Chambers Investment Forum (WBCIF)

Key questions:

- What could be policy measures to facilitate access to finance for green SME?
- How can we ensure that the financial instruments to help SMEs transition to environment-friendly practices would be cost-effective?

General Discussion

15:30-15:45 COFFEE BREAK

15:45-17:15 SESSION 4: CIRCULAR ECONOMY: OPPORTUNITIES FOR SMEs

Circular economy is gaining ground as a concept that allows a variety of opportunities for better use of finite natural resources by making the way goods are produced and managed in a more environmentally friendly way. In the EU, it is regarded as a means to stimulate environmentally friendly practices (through improved waste management and resource efficiency) and boost growth and employment. Circular economy is becoming increasingly important in the context of the EU Enlargement as well, with its newest strategy for the Western Balkans that underlines the need to promote entrepreneurship and innovation through supporting circular economy.

The last session aims to explore opportunities for SMEs in implementing circular economy business models. The session will examine general measures as well as actions for specific sectors in the new EU Circular economy package that aims to stimulate Europe's transition towards a circular economy. Subsequently, the Scottish Government's Circular Economy Strategy which aims to develop a more comprehensive approach to producer responsibility and to reduce all food waste by 33% until 2025 will be introduced to the participants. To conclude, SMEs from South East Europe that have successfully tapped into the opportunities offered by the circular economy, will discuss the barriers and enablers faced by them in implementing circular economy business models.

Moderator: Mr Peter Börkey, Principal Administrator, ENV/EEI,OECD

EU Circular Economy Package Mr Brendan Burns, President of the Section for Agriculture, Rural Development and the Environment, European Economic and Social Committee

• <u>Scotland's experience in promoting Circular Economy</u> Mr Iain Gulland, Chief Executive Officer, Zero waste Scotland

- <u>The case of Slovenia: Preparing the Circular Economy Roadmap</u> Ms Ladeja Godina Košir, Founder and Executive Director, Circular Change
- <u>Testimonials from the Private Sector</u>
 Ms Ivanka Milenković, CEO, System Ekofungi, Serbia

Key questions:

- How to reduce waste while adding value to SMEs?
- How to achieve successful collaboration of all the relevant stakeholders when adopting national strategies for circular economy?

General Discussion

17:15-17:30 CONCLUDING REMARKS

Ms Marzena Kisielewska, Head of OECD South East Europe Division

17:30-19:00 NETWORKING COCKTAIL – George Marshall room OECD Château de la Muette



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