



**UN Climate Change COP 28
Dubai, United Arab Emirates**

Outcome Document

**“SME & Indigenous Circularity & Technology for nature
positive sustainable growth”**

Organized by the following partners:

UN Climate Change High Level Champions Game Changers
Tony Elumelu Foundation MENA SME Climate Hub

Monday, 4 December 2023

14:00-15:00

(Al Shaheen - Global Climate Action Hub, Dubai, UAE)

“SME & Indigenous Circularity & Technology for nature positive sustainable growth” Implementation Lab

Key Messages:

- Accounting for up to 90% of emerging economies, SMEs play a critical role in climate and nature action
- Ensuring that SMEs have the tools and support necessary to implement a green economy is essential and must be included in government level NDCs, company level supply chain decisions and each individual entrepreneur and business owner should have access to the information and financial resources necessary for them to engage in the green economy
- SMEs are already tackling climate change and protecting nature through their business models which focus on creation of data, implementation of technology as well as increasingly incorporating circularity and low waste into their business models
- Technology and access to data driven by SME's, provides all stakeholders with more information which is critical to close the information gap, increase traceability and achieve system wide transition we require.

Outcomes:

Outcome 1: *Promote climate action for MSMEs, showing no business is too small to have an impact*

Kate Kallot helped us to see that the background and needs of developers impact the products and how they interact with communities. Her company helps fill the AI and data gaps for SME's, especially farmers so they can optimize their impact on environment and profits.

Other speakers contributed that in both their mission, supply chain and product development they consider the environment. They noted that although there is always a need for more financial resources, there are more and more partners supporting this space with tools which enhance the performance and sustainable growth of these businesses.

Outcome 2: *Identify the key sustainability tools & technology used by SMEs which can be scaled*

Comments and reflections

Continued collaboration will be essential, as a key outcome was the need to aggregate SME production to meet larger corporate demand.



Natural capital paradox - natural and indigenous capital, can lead innovation for the world if they are equipped with the right learnings and technology

AI is a reflection of ourselves and thus we must all play an active role to ensure the technology addresses all of our diverse and divergent needs.

People are solving problems that are critical for their builders...but today, large investment funding all have something in common, they are all sitting in the global north

Amini is providing environmental data infrastructure for the Global South. This data allows for more informed decisions to empower people.

For example, with data collected, a crop insurance product can be adapted to the farmers in that region - the farmers can obtain this data, the same data can be used by a bank, and ultimately aggregated to the government to increase confidence for investments.

Nature tech innovation in the global south is robust, drive solutions which will build impact. Diversity is important in this conversation, it takes all of us and we must remove our biases.

Alexey Shadrin shared that his company, Evercity, has produced an innovative green debt and carbon origination platform. This addresses the problem that climate finance is not truly accessible to the SMEs in the global south, who need to have special knowledge and access consultants to truly access green capital.

Evercity delivers open source software that explains Climate finance: helping SMEs understand certain structures, understand certain steps that need to be achieved, learn the type of financing they can go for, find the necessary partners, get the documents ready, and obtain financing, integrate monitoring reporting and verification tools to streamline monitoring and reporting.

They encourage the emergence of the local green debt and carbon players, where they encourage solutions to come from the countries where the solution is being implemented.

SMEs should be created considering the climate because it is difficult to change later.

The financing and legal frameworks can be complex, but climate action is something that touches all businesses. SMEs can align with climate action, specifically _____ recycles plastic and manage quality and make sure the plastic will not harm people. Now they are investigating how to scale hardware products in a decentralized way. How to recycle old prosthetics.

Other initiatives - market place for eco friendly artisans and commerce and an innovation lab where we provide equipment for people to come and work on projects using the companies materials which many SME's do not have the capital to acquire.

_____ also has a smart irrigation tool to help manage farming and irrigation systems.

New Energy Nexus - clean energy - entrepreneur support organization - building ecosystems by providing a global platform helping to upskill MSMEs and create green jobs.

The team works to develop frameworks to empower entrepreneurs, provide upskilling, strengthen capacity. One important tool they have developed is an accelerator program for 100, which is a 5 week of program to increase access to customers, capital and capacity building.

Philip

Collectively these solutions all fit into various parts of the value chain which needs to be built sustainably.

As the owner of large fabric mills in Ghana, this is an example of an indigenous producer - employing 1000 workers - built as a green enterprise - largest hydropower dam in west Africa -so all the energy we are using is renewable Steam production - we use food waste to power up and support the steam

Big push on sustainability - to position ourselves as producers of sustainable fabric and textiles

global demand for sustainably produced apparel

The key areas to focus on this sector are 1. Traceability - know where the fiber is coming from seed to end product; and 2. vertical integration is important, to really reduce carbon emissions related to clothes manufacturing. There are a lot of opportunities around mechanical recycling, to help sort and recycle the tonnes of used clothing shipped to Africa every year.

At each step in the supply chain there is huge opportunity:

- 1. Farmers - if we have data and trace the materials that would increase their value*
- 2. SME aggregators - raw materials for renewable, agriwaste for the boilers, creating jobs for waste collection and sorting*
- 3. Downstream - CMT garment fabrics using the fabric, niche suppliers and online platforms to access the markets*
- 4. once the value chain is well organized, it gets the ecosystem up and running, supporting green industrialization, green jobs, and charging a green premium*

Apply for World Food Program Innovation Accelerator - good entry to deal with big organizations, they have a simpler process - submit your business ideas they will give 100K grant, if you achieve the KPIs it will open gates for you

Outcome 3: *Demonstrate the impact of circular economy on carbon emissions by MSMEs*

Comments and reflections

By creating sustainable solutions to problems, the SMEs stated that one of them was in fact carbon neutral as all of his energy is generated by hydropower and he uses agricultural waste to generate steam for his fabric making activities. So these innovative ways to operate can create carbon neutral production mechanisms.

Producing soap made out of recycled cooking oils. Providing health and dignity while reducing food waste and water pollution.

Low tech solutions can be as important and provide support for people and planet.

Outcome 4: *what do you want to see from big companies to make it easier for you to engage with them, they try to get big suppliers to have targets*

Key thing is aggregation and standardization - sometimes the work is too niche, so if SMEs can standardize, if someone is doing something well on recycling of clothes, the standards would help get the volumes needed to address the consumer market.

Support people to cluster up so that SMEs can provide in bulk and volume to large retailers.

Closing with COP28 MENA SME Climate Hub's, Hanan Sakr

COP28 focused on inclusivity, we want everyone to be at the table, not leaving anyone behind.

Numerous sessions by governments, financial institutions, and many stakeholders focused on SME's.

Everyone is being brought together with the coordination of government officials, who are not aware of the solutions shared by the partners today. The coordination and connectivity between the public and private sector is really key to meeting the NDCs.



SME’s agree they require access to information, ongoing development support, and accessible financial resources.

In partnership with We Mean Business and SME Climate Hub, the COP28 MENA SME Climate Hub provides free educational tools and free carbon calculators, along with visibility on a global sustainability focused platform.

It means alot when you are part of a global campaign, we need to show the economic imperative of positive climate action for SMEs, speak to the governments, the big corporations, and continue to advocate for the SMEs who are innovative and flexible in finding solutions for a carbon neutral and nature positive transition.

Content:

Events were required to feature collective progress on mitigation (2030 breakthroughs), adaptation and resilience (SAA outcomes) and means of implementation. Please outline below how this featured in your session.

- The SME’s highlighted in this session provided solutions across the breakthroughs:
 - Data for adaptation and resilience
 - Green Manufacturing addressed mitigation and circularity
 - Circularity practices have impacts for both mitigation and adaptation
 - Technology improves business impact on the environment and increases resilience when used in areas like regenerative agriculture.
 - Solutions which increase access to climate finance help to ensure the just transition is also financed.

Diversity & Inclusion:

Event organisers were requested to ensure events were inclusive of age, gender, geography, and represented a spectrum of stakeholders across all levels of government and sectors. Please share below the number of speakers represented in each group at this event.

Youth <i>No of Speakers under 35</i>	Geography <i>Number of Speakers from developing countries</i>	Gender <i>Number of female speakers</i>	Indigenous Peoples <i>Number of speakers from Indigenous groups</i>	Stakeholder Type <i>Business, Finance, Subnational, Government Rep. , IP, NGO</i>
4 / 10 total speakers	4 / 10 total speakers	5 / 10 total speakers	3 / 10 total speakers	Business: 10 / 10 total speakers Finance: 4 / 10 total speakers



				Subnational: 0 / 10 total speakers Government Rep.: 1 / 10 total speakers NGO: 3 / 10 total speakers
40%	40%	50%	30%	

Audience - Please share the number of guests who attended your session: 50

Materials & Assets from the session:

- [Concept Note & Social Card](#)
- Link to photos / Slides or any other materials from the session