B20 SMEs & Entrepreneurship Taskforce Policy Paper

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Table of contents

Executive summary 3

Taskforce constitution and process 5

Introduction 6

RECOMMENDATION 1: Improve SMEs' Access To International Markets 7

RECOMMENDATION 2: Improve SMEs' Access To Finance 11

RECOMMENDATION 3: Improve SMEs' Access To Managerial And Entrepreneurial Skills 14

RECOMMENDATION 4: Improve SMEs' Access To The Digital Economy And Innovation Ecosystems 17

RECOMMENDATION 5: Ensure Business Reforms Are Geared To Create An SME-Friendly Business Environment 21

The vital role of the World SME Forum 24

Value calcultion methodology 26

APPENDIX: Taskforce schedule and composition 27

List of acronyms and glossary of terms 32

For other B20 taskforce policy papers and the B20 Policy Summary please see http://b20turkey.org/policy-papers/

EXECUTIVE SUMMARY

SMEs and entrepreneurs are vital sources of productivity growth, innovation and, therefore, economic growth and job creation across G20 countries. SMEs employ more than two-thirds of the private-sector workforce, and provide over 80 percent of net job growth. Without SMEs' essential contributions, the G20 economies will not be able to significantly reduce their high level of youth unemployment – over 40 million youth are unemployed across the G20 – an issue that affects most developed and developing economies in the G20. However, SMEs and entrepreneurs face five critical barriers to growth:

- **Access to international markets.** Access to international markets improves SMEs' overall performance. Including both direct and indirect participation, SMEs account for more than half of total exports as measured by trade in value added (TiVA). SMEs often face higher obstacles than large enterprises when engaging in international trade, as they often need to boost their productivity to compete internationally, and they are inordinately challenged complying with labor, environmental, social, and quality international standards.
- **Access to finance.** Bank lending is the main source of external funding for SMEs. However, a 2014 Organisation for Economic Co-operation and Development (OECD) study finds that debt financing for SMEs and entrepreneurs remains constrained in most countries, with higher interest rates and collateral requirements for SMEs. Total unmet demand for micro and SME credit is estimated to be $3.2 trillion to $3.9 trillion globally, according to the International Finance Corporation (IFC). Further, alternative sources of finance such as equity funding are still limited, volatile, and vary considerably across G20 countries.
- **Access to managerial and entrepreneurial skills.** SMEs are constrained in their development by insufficient managerial skills and access to specialized talent. Research confirms that better-managed firms tend to be larger, more likely to survive and more productive. Empirical evidence also suggests that variations in management capability account for up to half of the total factor productivity gap between the United States and other countries. However, entrepreneurship education, fostering "learning agility" as a key competence, and ongoing managerial training are inadequate in most countries.
- **Access to the digital economy and innovation ecosystems.** The use of digital technologies is the single most important driver of innovation, competitiveness, and growth. G20 countries and SMEs have yet to seize the full potential of digital, as the quality of the infrastructure and its use by companies vary significantly. Across the 17 G20 countries analyzed by Accenture for its Digital Density Index, performance ranged from 28 to 72 on a scale of 1 to 100. Innovation makes an important contribution to SME productivity and growth, and is a requirement for SMEs' successful participation in global value chains (GVCs). However, SMEs face several challenges when seeking to innovate. One significant obstacle is the lack of a thriving innovation ecosystem to provide the necessary infrastructure to support experimentation and innovative activities.
- **Ability to comply with business regulations.** Empirical evidence shows that reforms in the business environment benefit SMEs more than large firms. Despite progress, the World Bank ranking on "ease of doing business" still varies significantly across economies – from 57 to 89 on a scale of 0 to 100. Lowering obstacles to business entry, reducing the administrative costs of compliance, creating a level playing field, and increasing transparency and labor market flexibility certainly represent good strategies for facilitating the creation, and subsequent growth and survival, of SMEs.

The B20 SMEs and Entrepreneurships taskforce recommends the following actions to address the identified binding constraints to SMEs' growth:

1. **Provide capacity building and support to SMEs to comply with international standards**, promote harmonization of international standards, and initiate G20-wide entrepreneur visa programs.
2. **Broaden and deepen SMEs' access to alternative sources of funding** by supporting and harmonizing policies, regulations and standards, and improving the availability of information on SME performance.
3. **Expand managerial and entrepreneurial skills training programs** and strengthen entrepreneurial culture by supporting development of entrepreneurship networks and centres of excellence.
4. **Improve SMEs' access to the digital economy and innovation ecosystems** through collaboration between government, businesses and stakeholders in education and science, and commitment to improved digital infrastructures.
5. **Ensure business reforms are geared to create an SME-friendly business environment** through: impact assessments of regulations, treaties, and policies on SMEs; commitment to measurable improvement on the ease and cost of doing business for SMEs; and digitization of regulatory processes.

The SME and Entrepreneurship Taskforce welcomes the creation of the World SME Forum to support implementation of the proposed recommendations and provide global advocacy, technical assistance, and advice for sustainable and resilient SME development. It is also imperative that all G20 governments adopt appropriate governance including having a structure such as an agency that ensures daily focus and championing of the SME agenda, and commit to specific measurable targets and milestones.

TASKFORCE CONSTITUTION AND PROCESS

B20 Turkey Leadership

The Deputy Prime Minister of Turkey Ali Babacan appointed an executive committee that included representatives from Turkey's six leading business organizations to guide the work of B20 Turkey in 2015 under the leadership of Rifat Hisarciklioglu, B20 Turkey Chair and President of the Union of Chambers and Commodity Exchanges of Turkey: Mehmet Buyukeksi, Haluk Dincer, Nail Olpak, Erol Kiresepi, Erdal Bahcivan, and Tuncay Ozilhan. The executive committee appointed Sarp Kalkan as B20 Sherpa.

B20 Taskforce Policy Development

The B20 organized itself around six taskforces: five of them – Trade, Infrastructure and Investment, Financing Growth, Employment, and Anti-Corruption – built on the work of the previous cycles' taskforces, and given the G20's priority of implementation, focused on advocacy and refinement of the existing set of B20 recommendations. Given the G20's inclusiveness priority, the SMEs and Entrepreneurship Taskforce was newly established to develop recommendations to better integrate SMEs into the global economy.

The policy development process began with a scoping exercise to develop themes for investigation. Each theme was then deeply researched and debated within the taskforce to generate draft recommendations. The draft recommendations were then refined in an iterative process and a series of actions were developed to test the practicality of each recommendation. The draft recommendations were also discussed in ten regional consultation meetings. The contributions of the taskforce members were coordinated and turned into policy papers by taskforce working groups that include chairmen's deputies and representatives of the knowledge and international business network partners. See section 'Taskforce schedule and composition' for the list of the members of the working group of the SMEs and Entrepreneurship Taskforce.

The Economic Policy Research Foundation of Turkey (TEPAV) provided content for taskforce recommendation development, with a team led by Ussal Sahbaz, B20 Content Lead. Directly reporting to B20 Turkey Chair, the B20 Steering Committee supervised the B20 content. The members of the Steering Committee were Tunc Uyanik (chairman), Janamitra Devan, Robert Milliner, and Guven Sak.

SMEs & Entrepreneurship Taskforce

The SMEs & Entrepreneurship Taskforce was established under the coordinating chairs Melih Yurter, Board Member of Afyon Energy, and Mary Andringa, CEO and Chair of the Board Vermeer Corporation. The co-chairs were Göktekin Dinçerler – Director at Turkven Private Equity, Diane Wang – Founder and CEO of Dhgate.com, and Pierre Nanterme – Chairman and CEO of Accenture. Daryl Bouwkamp, Senior Director of International Business Development and Government Affairs at Vermeer Corporation, served as a deputy to Mary Andringa, coordinating chair. The taskforce received in-depth content and process support from Accenture as its knowledge partner.

The SMEs & Entrepreneurship Taskforce had 110 members, most of whom were senior executives in business, business associations, and professional services firms. The membership broadly represented the countries of the G20. The taskforce members met in person three times before the B20 Conference organized in September 2015 and exchanged ideas and material between meetings. See "Appendix Taskforce schedule and composition" for details.

INTRODUCTION

B20 Turkey established a new SMEs and Entrepreneurship Taskforce to focus on strengthening SMEs and supporting entrepreneurship. SMEs and entrepreneurs are the main job creators in the economies of the G20. SMEs employ more than two-thirds of the private sector workforce, and provide over 80 percent of net job growth. New firms (five years old or younger) generated half of all new jobs in the past decade.[1] Without SMEs' essential contributions, the economies of the G20 will not be able to significantly reduce their high level of youth unemployment – an issue that affects most developed and developing economies in the G20. SMEs and entrepreneurs are also vital sources of productivity growth and innovation across G20 countries.

At the same time, SMEs and entrepreneurs face a number of critical barriers to growth, such as access to finance, access to international markets, access to managerial and entrepreneurial skills, access to the digital economy and innovation ecosystems and ability to comply with business regulations. Although these barriers have been well-documented, and G20 members have taken several steps at the national level to address constraints on SME growth, the B20 SMEs and Entrepreneurship Taskforce recognizes the need for better inclusion of SMEs' interests in the multilateral agenda. The taskforce recommends increased consideration of SMEs' needs in global policymaking along with cross-country coordination to implement effective global solutions to help unleash the potential of the SME sector.

During the recommendation development process, taskforce members considered a preliminary long list of more than 40 recommendations, drawn from topics that had been discussed by B20 Australia, raised in recent business and academic reports, or suggested by taskforce members. The taskforce members voted to prioritize the issues, taking into account polling results from B20 regional consultation meetings. The long list was honed through an iterative process to produce a final list of five priority recommendations.

Given that implementation will span multiple years, the SME and Entrepreneurship Taskforce believes it is imperative that all G20 members adopt appropriate governance including: implementing or maintaining a structure such as an agency that ensures daily focus and championing of the SME agenda; committing to specific measurable targets and milestones; prioritizing a smaller set of recommendations where impact can be visible in the short term and signal commitment to the SME and entrepreneurship agenda.

In addition, the B20 SMEs and Entrepreneurship Taskforce welcomes the creation of the World SME Forum (WSF) announced in May 2015. The WSF business model is centered on global advocacy, technical assistance, and advice for sustainable and resilient SME development, based on priorities developed and implemented in cooperation with multilateral organizations, leading think-tanks, policymakers, and the business community. The WSF can help monitor the implementation status of SME-related recommendations accepted by the G20 in the future in order to provide continuity and progress on SME development.

Finally, the B20 SMEs and Entrepreneurship Taskforce recognizes that the recommendations coming from the B20 Trade, Financing Growth, Infrastructure & Investment, Employment, and Anti-Corruption Taskforces will also contribute to SMEs' growth.

1 Criscuolo, C., P. N. Gal and C. Menon, 2014, "The Dynamics of Employment Growth: New Evidence from 18 Countries", OECD Science, Technology and Industry Policy Papers, No. 14. Link

RECOMMENDATION 1: Improve SMEs' Access To International Markets

Reference	SME1
Recommendation	Improve SMEs' access to international markets through SME capacity building to comply with international standards, harmonization of international standards, and G20-wide entrepreneur visa programs.
Owner	G20 governments, World Bank Group, OECD, World Trade Organization and International Trade Center, International Labor Organization, World SME Forum.
Timing	Status update by 2016 G20 meeting.
Value	Increased participation of SMEs in direct and indirect trade.
KPI	% of SMEs participating in direct and indirect export (ITC).

Context

Access to international markets improves SMEs' performance. SMEs learn by being exposed to international standards of performance, which in turns requires them to increase productivity, acquire new knowledge, and better use their resources.

In countries where OECD statistics exist, about 30 percent of SMEs export directly. When also accounting for the contribution that SMEs make to exports as upstream producers, supplying intermediate goods to exporting firms in their country, in the majority of cases SMEs account for more than half the total trade in value added (TiVA).[2] In a survey of larger SMEs (revenue of $20m and above) across 23 developed and developing countries, Oxford Economics[3] found that three-quarters already export, and more plan to in the coming years.

Today's entrepreneurs are also increasingly "born global" – 70 percent of newly established SMEs consider global expansion within the first few years of operations.[4] However, SMEs face challenges integrating themselves into GVCs, and dealing with the complexity of international trade is often a greater burden than for large enterprises. Increasing productivity in order to sell intermediate and/or final products at competitive prices is a major challenge for suppliers seeking to integrate into international markets through GVCs and for those wanting to strengthen and upgrade their participation in GVCs.

Compliance with labor, environmental, social, and international quality standards is another challenge. The increasing demand for sustainable practices – for example, products and services that are simultaneously good for the economy, for the environment, and for society – puts pressure on SMEs to understand the proliferation of standards and enhance their performance to comply.

The complexity and associated costs of international expansion also limit SMEs' access to GVCs. These include the complexity of trade logistics, trade facilitation, trade policy, and trade in services; the difficulty of protecting their rights; and limited access to finance, including trade finance, as well as access to local market knowledge and local partners (for details on SME finance, see B20 Financing Growth Taskforce Policy Paper, Part A 'SME Financing').

2 Policy note for G20 written by World Bank Group and OECD (ongoing).
3 "SMEs: Equipped to Compete. How successful SMEs are reinventing global business", Oxford Economics, 2014. Link
4 The promise of digital entrepreneurship: creating 20 million jobs in G20 countries, Accenture, 2014. Link

Finally, restrictions on mobility and immigration constraints can limit SMEs' ability to conduct business internationally. While entrepreneurial mobility programs exist at the bilateral or regional levels, no such scheme exists for a large group of countries like the G20.

Actions

SME 1.1: Provide capacity building and support to comply with international standards and promote harmonization and consistent application of international standards to ensure level playing field for SMEs.

A recent International Trade Center (ITC)[5] survey reveals that access to information is a top priority for SMEs: particularly information about export opportunities to identity potential buyers, as well as access to information about procedures and regulations. The survey shows that access to information has a significantly higher weight for SMEs than for large firms.

Leading practice 1: ITC has developed "Standards Map"

Standards Map is a web-based tool for practitioners from public and private institutions, SMEs, and multinationals to offer comprehensive, verified, and transparent information on standards. It covers issues such as: environmental protection; work and labor rights; quality and food safety; and ethics. It comprises four distinct modules to help users identify relevant standards for their situation with practical hands-on comparisons, analyses, and self-assessment of their performance against the standards' requirements.

Source: Link

G20 governments should further encourage capacity-building efforts to provide technical assistance and advice to SMEs for their compliance with international standards on labor and quality, as well as environmental and social practicies. Relevant global organizations, such as the chambers of commerce, the World Bank Group, ILO, and ITC already support SMEs but should be encouraged to develop more global synergies and network effects for increased reach and scale by: connecting SMEs with partners; facilitating access to information on standards; helping SMEs assess and improve their performance against standards requirements; and developing SME certification programs. These global platforms should also promote the harmonization and consistent application of international standards through a "Global Compact" set of principles, ensuring a level playing field for SMEs across the world.

5 ITC, 2015, OECD-WTO Aid For Trade at a Glance 2015. Link

Leading practice 2: IFC's global partnership to enhance standards in the garment industry

The Better Work program – a partnership between the World Bank Group's International Finance Corporation and the International Labour Organization – exemplifies how partnerships can make an impact. Better Work began in 2007 in response to demand from consumers and multinational firms for better standards in garment factories. Today, the program has helped improve the lives of more than one million garment workers in eight countries by helping management and labor work together to provide safe, clean, and equitable working environments.

Recent research strengthens the business case behind this model, showing how profitability of garment factories and productivity among workers increases as working conditions and wages improve. Building on this success, the World Bank Group is working with global partners to scale up the Better Work program and increase its reach.

Soruce: Link

SME 1.2: Initiating the development of G20-wide entrepreneurship visa programs to facilitate international mobility for entrepreneurs and SME executives.

A significant number of countries have launched specific visa programs for entrepreneurs that are designed to attract foreign entrepreneurs starting a business, while a few programs exist to facilitate international business travels by entrepreneurs and SME executives. Yet, most of these programs are bilateral or regional, and the benefit is limited. As requested by the SME business community,[6] G20 members should: 1) act jointly to initiate the development of a program to facilitate international business travels by entrepreneurs and SME executives, and 2) initiate the development of coordinated national visa programs to allow foreign entrepreneurs to settle in G20 countries to create start-ups.

Leading practice 3: National visa program to create start-ups

The United Kingdom allows non-EU entrepreneurs able to invest £200,000 and create at least two jobs to obtain a temporary visa. In addition, although not widely used, provisions in UK immigration law allow an international student at a British university to obtain a visa if he or she can raise £50,000.

A number of Canadian provinces maintain programs to attract foreign entrepreneurs who bring in investment for a new business, similar to the US Immigrant Investor visa program (EB-5), or by allowing venture capital firms to invest in the new company.

Japan has rules on the equivalent of a temporary visa for entrepreneurs. Japan liberalized its regulations in 2014, permitting a Business Management visa to be used both by foreign investors and foreign business managers hired by a Japanese company that provides investment capital to a venture. However, the denial rates for this type of visa are higher than for other work visas.

France recently introduced the "French Tech Ticket" to attract foreigners setting up innovative entrepreneurial projects with international potential: selected foreign startups will receive €25,000 for their projects; will be helped to develop in France; and will receive a "Talent Passport".

Start-Up Chile provides foreign entrepreneurs who establish themselves in Chile with a one-year work visa and 20 million Chilean pesos. The objective, besides developing their start-ups, is to create and foster networks with the local entrepreneurship ecosystem.

6 G20YEA Communiqué, 2014. Link

Leading practice 4: APEC Business Travel Card (ABTC)
The APEC Business Travel Card allows business travelers pre-cleared, facilitated short-term entry to participating member economies. The ABTC removes the need to individually apply for visas or entry permits, saving valuable time, and allows multiple entries into participating economies during the three years the card is valid. Cardholders also benefit from faster immigration processing on arrival and departure via access to fast-track entry and exit through special APEC lanes at major airports in participating economies. When the impact of the APEC business travel card was evaluated in 2011, the scheme reduced transaction costs for ABTC holders by 38 percent between March-July 2010 and March-July 2011, representing a total savings of $3.7 million and 62,413 hours.

Reference	Action
SME 1.1	Provide SME capacity-building programs and support to comply with international labour, environmental, social, and quality standards. Promote harmonization and consistent application of international standards to ensure level playing field for SMEs.
SME 1.2	Initiate the development of G20-wide entrepreneurship visa programs to facilitate international mobility for entrepreneurs and SME executives.

RECOMMENDATION 2: Improve SMEs' Access To Finance

Reference	SME2
Recommendation	Broaden and deepen SMEs' access to alternative sources of funding by supporting and harmonizing policies, regulations, and standards, and improve the availability of information on SME performance.
Owner	G20 governments, World SME Forum.
Timing	Status update by 2016 G20 meeting.
Value	Increased creation of employment by SMEs – Access to a loan increases SMEs' growth of employment by 3.1 percent, and access to investment funds increases employment by 4.2 percent. Increased GDP growth (1 percent increase in credit resulted in increased value of sales of 0.76 percent for large firms, and 0.58 percent for small firms in Indonesia).
KPI	% of total lending to SMEs (OECD) % of non-bank financing usage by SMEs (OECD)

Context

Bank lending is the main source of external funding for SMEs.[7] However, a study by the OECD shows that debt financing for SMEs and entrepreneurs remains challenging in most countries, with lending in several economies not yet returned to the pre-financial-crisis level.[8] This fact, coupled with the disparity between interest rates charged to SMEs and large firms plus increasing collateral requirements for SMEs, limits access to finance by smaller firms. An IFC study shows that the total unmet demand for credit for micro and SME lending is estimated to be $3.2 trillion to $3.9 trillion globally, of which SMEs in developing countries face an estimated financing gap of $2.1 trillion to $2.6 trillion.[9] Further, 55-68 percent of formal SMEs in emerging markets are either unserved or underserved in terms of their financing needs.

Traditional bank loans can be hard to access for SMEs that have limited credit history and/or inadequate financial statements as required by lending institutions (for details see B20 Financing Growth Taskforce Policy Paper, Recommendation 1). Market failures such as informational asymmetries (such as adverse selection and moral hazard problems) tend to affect SMEs disproportionately and lead to higher interest rates.[10]

Alternative sources of funding for SMEs and entrepreneurs are also limited and volatile; equity financing was severely affected by the financial crisis (for details see B20 Financing Growth Taskforce Policy Paper, Recommendation 2). Despite some recovery, the level of funding available is still below the pre-crisis level in most G20 countries. With the exception of the United States, the market is not providing the scale of equity investment needed to support the development of the SME sector.

7 Shinozaki, Shigehiro, 2012, "A New Regime of SME Finance in Emerging Asia: Empowering Growth-Oriented SMEs to Build Resilient National Economies", ADB Working Paper Series on Regional Economic Integration No. 104, Asian Development Bank. Link

8 *Financing SMEs and Entrepreneurs 2014: An OECD Scoreboard*, OECD 2014. Link

9 "Access to Credit among Micro, Small, and Medium Enterprises", Factsheet, IFC, 2013. Link

10 Adverse selection occurs because banks do not know the default risk of a particular borrower and therefore they can only price a loan based on the average default risk. As a result, low-risk borrowers face higher interest rates than they would if there was perfect information. Moral hazard emerges because banks cannot perfectly monitor the activities of the borrower after the loan has been approved and therefore charge higher interest rates to cover themselves from risky behaviour.

Crowdfunding and peer-to-peer lending are also growing in popularity, enabled by Internet and mobile technology developments. Despite strong growth, the overall size of the market remains small and very concentrated in a few markets (the United States, United Kingdom, and China). It is also constrained by regulatory environments that are not yet fully adapted.

Actions

SME 2.1: Broaden and deepen SME access to alternative sources of funding by supporting and harmonizing policies, regulations, and standards.

Alternative sources of funding – whether equity or lending – are still small in terms of total market size and remain volatile, yet they can provide additional options for entrepreneurs and SMEs at different stages in their life-cycle (early stage/seed, growth, internationalization); they bring the benefit of diversification and broadening sources of funding, increased affordability for SMEs, and market efficiency. The growth phase is where most benefit would accrue given current gaps in funding.

With the advent of the digital economy, financial innovations such as peer-to-peer lending and equity crowdfunding have been growing in popularity. As these markets continue to expand and form "shadow" banking sectors and impact traditional systems, G20 governments need to create industry standards to protect stakeholders, limit risks (default, platform failure, fraud, cyber-attack, illiquidity) and maintain healthy development, in particular harmonizing policies, regulations, and standards.

Initiatives should be at a national or regional level and can include: targeted tax incentives to stimulate the development of venture capital funds; development of hybrid instruments; support of development of peer-to-peer lending platforms; creation of investment pooling vehicles such as funds of funds; initiating multilateral frameworks for accredited investor regulations that accommodate the development of online cross-border platforms and networks of investors such as crowd-sourced equity funding; fostering the development of global business angel networks; and removing barriers to inflows of foreign capital.

Leading practice 5: Peer-to-peer lending as a new form of SME financing

DHgate has offered service to its online merchants since 2010. Merchants apply for a loan on the e-commerce platform. The DHgate platform provides endorsement based on historical data, and a link with a partner P2P platform to obtain matching investors for the loan. The endorsement from the e-commerce platform becomes a trusted identity, so the merchants can enjoy lower interest rates and much faster matching approvals. No collateral or third-party guarantors are needed.

Source: APEC Framework for SMME Financing Report, SMME Internet Financing in China, ABAC China, April 2014. Link

SME 2.2: Improve the availability of reliable information on SME performance to reduce the riskiness of SME financing.

The taskforce encourages G20 governments to reduce the riskiness of SME financing by improving the availability of reliable information on SME performance and creditworthiness and through refinement of loan-guarantee programs and secured-transaction laws.

This can include developing capacity building to increase the ability of SMEs 1) to approach investors and lenders more strategically, for instance, by assisting entrepreneurs to become investment ready – that is to develop and present business propositions in a way that is attractive to investors and lenders, and 2) to develop information infrastructures to provide more transparency on data requirements such as credit rating.

Leading practice 6: Integrated reporting
To build trust around their current and future performance, SMEs often need to share not only transparent financial information but also a broader range of non-financial data, such as their business plan and information about their resources, including customers, extended supply chain, internal processes, and capabilities. These are the aspects at the heart of the "Integrated Reporting Framework", published in December 2013 by the International Integrated Reporting Council (IIRC). Today over 1,000 organizations globally have embarked on their own integrated reporting journey. The Chartered Institute of Management Accountants (CIMA) has published numerous concrete examples of the growing relevance of integrated reporting to SMEs particularly in the areas of access and cost of capital, access to markets, better business understanding, and enhancing reputation. *Source: Chartered Institute of Management Accountants.* Link

Over time the development of "big data" will create multiple new possibilities for obtaining reliable information on SMEs deprived of a traditional credit history, and G20 governments should encourage the development of alternative risk-evaluation methods.

Reference	Action
SME 2.1	Broaden and deepen SME access to alternative sources of funding by supporting and harmonizing policies, regulations, and standards.
SME 2.2	Improve the availability of reliable information on SME performance.

RECOMMENDATION 3: Improve SMEs' Access To Managerial And Entrepreneurial Skills

Reference	SME3
Recommendation	Improve SMEs' access to managerial and entrepreneurial skills by expanding skills-training programs and strengthening entrepreneurial culture.
Owner	G20 governments, World SME Forum.
Timing	Status update by 2016 G20 meeting.
Value	Improved SMEs' productivity.
KPI	% of entrepreneurs who received training on starting a business (OECD, GEM).

Context

SMEs are constrained in their development by insufficient managerial skills and access to specialized talent. These weaknesses are reflected in lower levels of productivity, characterized by a sub-optimal use of the workforce and resources.[11] The ability and capacity of the entrepreneur to implement a business plan largely determines the success or failure of a firm both at the creation and expansion stages. Research abounds to demonstrate the link between management skills and firm-level productivity: better-managed firms tend to be larger, more likely to survive, and more productive.[12] Variations in management account for up to half of the total factor productivity gap between the United States and other countries.[13]

In terms of skills for SMEs' export competitiveness, a WTO report[14] suggests that governments should focus their efforts on addressing three gaps in knowledge and skills: (i) to solve managerial problems; (ii) to put products successfully on the market; and (iii) to solve technological problems in relation to product design and production. Further, to attract quality talent, entrepreneurship needs to be perceived as an attractive opportunity. The Global Entrepreneurship Monitor (GEM)[15] shows that a favourable attitude on entrepreneurship positively correlates with the level of entrepreneurial activity in a country, but attitudes on entrepreneurship vary.

Actions

SME 3.1: Expand skills training programs focused on managerial and entrepreneurial skills.

GEM reports that insufficient training is seen as one of the top-three constraints faced by entrepreneurs in developing their businesses based on a survey of 30 countries.[16]

11 Nicholas, B. and J. Van Reenen, 2007, "Measuring and Explaining Management Practices Across Firms and Countries", The Quarterly Journal of Economics, VOL CXXII issue 4; based on 732 medium-sized companies in the United States, France, Germany, and the United Kingdom.
12 Iacovone, L., and Q. Qasim, 2013, Entrepreneurship Policy Brief. A Tool for Analysis and Promotion, World Bank. Link
13 Nicholas Bloom, Rafael Sadun, and Jan Van Reenen, 2013, "Management as a Technology". *Stanford: Mimeo.* Link
14 Jansen, M. and Rainer, L., 2013, Skills and Export Competitiveness for Small and Medium-Sized Enterprises, WTO. Link
15 Global Entrepreneurship Monitor Special Report: A Global Perspective on Entrepreneurship Education and Training, GEM, 2010. Link
16 Ibid.

Training should be focused on developing "learning agility". In its report "Growth is in the Leaders," Korn Ferry assessed data on 2.5 million executives to understand which entrepreneurial capabilities accelerate growth and employment creation. The research concludes that the value of transferable competences (such as situational adaptability, learning agility, innovation, and collaboration) surpasses that of technical knowledge and experience – the latter being subject to expiration when the market context changes. Therefore, the taskforce recommends that the G20 to focus on developing learning agility. (For further details on skills development, please see B20 Employment Taskforce Policy Paper, Recommendation 3)

Leading practice 7: Developing learning agility through "centers of entrepreneurship"

"Learning agility" is identified as the most important entrepreneurial capability. Learning agility is defined as the ability and willingness to learn from experience and subsequently apply that learning to perform successfully under new or first-time conditions.

Learning agility factors are related to:

- Results agility – Deliver results in challenging first-time situations
- Self-awareness – Extent to which an individual knows his or her true strengths and weaknesses
- Mental agility – Ability to examine problems in a unique and unusual way
- People agility – Skilled communicator who can work with diverse types of people
- Change agility – Likes to experiment and is comfortable with change

Source: Growth is in the Leaders, Korn Ferry (internal research paper)

G20 interventions can include: encouraging learning agility at different levels of the school and university system; supporting business-training programs; fostering the development of "centers of entrepreneurship" to provide entrepreneurs with self-assessment toolkits to identify and reduce skills and competency gaps. Online knowledge platforms should be implemented whenever possible for scale, reach, and cost effectiveness.

Leading practice 8: ILO Global Knowledge Sharing Platform

The Skills for Employment Global Public-Private Knowledge Sharing Platform (Global KSP) is an example of a collaborative platform. It brings together enterprises, labor, government, and trainers at the local, industry, and national levels to ensure that training is relevant to the needs of businesses and labor markets and is accessible to young people and workers throughout their careers. Initiated by the ILO, the Global KSP benefits from the support and collaboration of the Organization for Economic Co-operation and Development (OECD), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the World Bank.

Source: Global KSP. Link

SME 3.2: Strengthen entrepreneurship cultures, in particular support development of entrepreneurship networks and centres of excellence.

Networks are critical resources for entrepreneurs looking to improve their skills through coaching and mentoring provided by more seasoned entrepreneurs, and in terms of the "network effect" in recruiting and building talent pools. Entrepreneur networks also play a crucial evangelist role in nurturing positive attitudes towards entrepreneurship. G20 governments should visibly endorse these entrepreneurship programs and promote entrepreneurship as a desirable career.

Leading practice 9: The G20 Young Entrepreneurs' Alliance (G20YEA)
The G20YEA is a collective of 20 organizations across G20 countries, which promotes youth entrepreneurship as a driver of economic renewal, job creation, innovation, and social change. The alliance represents over 1 million young entrepreneurs employing some 12 million people. Every year, the G20YEA brings together over 700 of the world's top young entrepreneurs for a three-day summit to share their ideas with the B20 and G20 leaders in order to catalyze global change. In addition, each association organizes local networking events such as Global Entrepreneurship Week, and actively promotes entrepreneurship with media, universities, and local policymakers. *Source:* Link

Reference	Action
SME 3.1	Expand skills training programs, in particular encourage learning agility at different levels of the school and university system and promote entrepreneurship as a desirable career. Support business training programs focused on development of managerial skills.
SME 3.2	Strengthen entrepreneurship cultures, in particular support development of entrepreneurship networks and centres of excellence.

RECOMMENDATION 4: Improve SMEs' Access To The Digital Economy And Innovation Ecosystems

Reference	SME4
Recommendation	Improve SMEs' access to the digital economy and innovation ecosystems through collaboration between government, businesses, stakeholders in education and science, and commitment to improved digital infrastructures.
Owner	G20 governments, World SME Forum, G20 institutions such as City Tech, and government-backed incubators or accelerators.
Timing	Status update by 2016 G20 meeting.
Value	A ten basis point increase in a country's Digital Density Index could lead to an increase in that country's annual GPD growth by 0.25 percentage points above the baseline in advanced economies and 0.5 percentage points in emerging economies.
KPI	% of SMEs with access to broadband (OECD). Digital Economy & Society Index (EU); Digital Density Index (Accenture). % of SMEs that cooperate to innovate (OECD).

Context

The "digital economy… is the single most important driver of innovation, competitiveness and growth, and it holds huge potential for… entrepreneurs."[17] In a joint study, Accenture Strategy and Oxford Economics[18] confirmed the link between increased use of digital technologies and greater productivity, and quantified the resulting impact on competitiveness and economic growth.

However, the degree to which digital technologies have penetrated businesses and economies shows large variation across countries in terms of the quality of the digital infrastructure, supporting environment, and use by companies to innovate and improve operations. The Accenture Digital Density Index across 17 G20 countries ranges from 38 to 72 on a scale of 0-100. Further, an OECD study in 28 countries finds that, on average, 93 percent of SMEs have access to a broadband connection – this ranges from as low as 50 percent in developing countries such as Mexico up to 100 percent in developed countries such as Finland.

Innovation can make an important contribution to SMEs' growth. First, there is evidence that innovation increases employment more than the contractation caused by technological change.[19] Second, innovation is a key driver of productivity in firms.[20] Third, innovation is one important requirement for SMEs' successful participation in global value chains.[21] Process and organizational innovation increases firms' productivity by reducing production costs and enabling firms to achieve the minimum level of efficiency required to cover the fixed costs of exporting. Product innovation creates learning-by-doing effects and helps SMEs to offer new

17 The importance of the digital economy, European Commission. Link
18 Digital Density Index: guiding digital transformation, Accenture, 2015. Link
19 Harrison, R., J. Jaumandreu, J. Mairesse, and B. Peters, 2008, "Does Innovation Stimulate Employment? A Firm-Level Analysis Using Comparable Micro-Data from Four European Countries", NBER Working Paper No. W14216, Cambridge, Mass: National Bureau for Economic Research. Link
20 Crépon, B., Duguet, E., & Mairesse, J, 1998, "Research and Development, Innovation and Productivity: an Econometric Analysis at the Firm Level", Economics of Innovation and New Technology, 7 (2), 115–158. Link
21 Enhancing the role of SMEs in Global Value Chains, OECD, 2008. Link

and upgraded products; meanwhile, marketing innovation and innovative branding strategies help SMEs to gain market share.

However, a lower proportion of SMEs innovate compared with large companies. For example, an OECD study shows that SMEs tend to innovate less than large firms – 50 percent of SMEs innovate versus 65 percent of large firms. SMEs also cooperate less than large companies in order to innovate – 20-40 percent versus 50-80 percent for large firms.[22]

Actions

SME 4.1: Commit to improved digital infrastructures, incorporating into the G20 Member Growth Strategies a five-year universal broadband connection target, and provide for continuous investment in next-generation digital networks.

Access to broadband and new digital networks are pre-conditions for entrepreneurship innovation and SME growth. The taskforce recommends the G20 governments incorporate a five-year universal broadband connection target into G20 Member Growth Strategies, and provide for continuous investment in next-generation digital networks. For instance, the Accenture Strategy Digital Density Index can help gauge the current "digital density" of an economy and guide interventions. The index reflects the adoption of digital technologies in a country, as well as the skills, ways of working, and regulatory frameworks needed to realize their economic potential. For further details on the Digital Density Index, see Leading practice 11.

Leading practice 10: Fostering the EU digital economy

The EU announced a strategy for creating a Digital Single Market around three pillars:
Improving access for consumers and businesses to online goods and services across Europe – Primarily built around removing barriers to and promoting cross-border e-commerce.

Creating the right conditions for digital networks and services to flourish – Primarily focused on digital infrastructure and revising the telecom regulatory framework to incentivize investments in the sector.

Maximizing the growth potential of the European Digital Economy – Primarily focused on Cloud computing and Big Data; Internet of Things (IoT); better public services and skills.

The European Commission proposes to support the delivery of the Digital Single Market by supporting investments in digital networks, research, and innovative business through EU funding programs, including the Investment Plan for Europe. It also proposes to strengthen its governance through greater cooperation between member states; setting up dedicated advisory and support groups; improving its data analysis and intelligence; and further developing its Digital Economy and Society Index Indicator.

Source: EU.

22 *Entrepreneurship at a Glance 2014*, OECD 2014. Link

Leading practice 11: Assessing penetration of digital technologies in a country and improvement focus

The Accenture Strategy Digital Density Index measures the following economic activities:

Making markets – This is the recognition that existing markets are becoming increasingly digital, and new markets are being created through digital means.

Sourcing inputs – This is the extent to which the factors of production are sourced and used with digital technology.

Running enterprises – This relates to the extent to which firms are embracing digital technologies and activities to carry out business functions.

Fostering enablers – The impact of digital is in part enabled by the institutional and socio-economic environment.

The Digital Density scores for the 17 leading economies span from 28 in India to 72 in the Netherlands. A country like France could increase its Digital Density scores by ten points, equivalent to additional annual GPD growth of 0.25 percentage points or $57 billion by 2020, by:

Expanding Internet coverage to match Dutch and Finnish levels

Improving mobile connections with customers to Belgium's level

Making better use of the industrial Internet following best practices in Austria, Germany, and the Netherlands

Expanding its ICT skills base to Finnish, Swedish, and UK levels

Raising confidence in public digital services to German and Belgian levels

Source: Digital Density Index: guiding digital transformation, Accenture, 2015. Link

SME 4.2: Promote collaboration between government, business, and stakeholders in education and science to foster development of innovation ecosystems.

One important obstacle to innovation for SMEs is the lack of a thriving innovation ecosystem, involving a diverse array of participants and resources that contribute to the development of the knowledge economy. The role of Silicon Valley is well documented, but promising ecosystems exist in New York, London, Berlin, Paris, Tel Aviv, and Bangalore, with each city adapting the model to its own characteristics, strengths, and needs. Ecosystems involve a skilled labor force, financing institutions that provide risk capital, supporting scientific institutions that conduct research and development (for example, universities and R&D facilites), supporting private-sector institutions that help SMEs to develop innovative ideas and projects (such as large companies, incubators, and accelerators), and a supportive policy environment.

Leading practice 12: Start-up ecosystems and their ranking

Start-up ecosystems have grown in every European country but remain disconnected and fragmented. Startup Europe Partnership (SEP), EU is an integrated pan-European platform that helps start-ups scale up through connections with other organizations to create procurement opportunities, strategic investments, and eventually acquisitions.

Crunchbase and data analysis tool Compass (formerly Startup Genome) have partnered to rank global startup ecosystems. Startups across the globe can access the SE2015 survey and provide information and data to measure the "health" of their ecosystem. Following their input, they can benchmark their individual results with peers in order to inform decision making in the future.

Source: 2015 Startup Ecosystem Report. Link

Policies oriented to build comprehensive innovation ecosystems should operate at different levels: 1) facilitating connectivity and knowledge transfer across the different players in the ecosystem – for example, supporting "one-stop" online platforms and incubators services, supporting public-private collaborations for innovation, facilitating venture-acceleration networks, encouraging open innovation and collaboration between large firms and smaller firms, promoting the creation of clusters and knowledge-spillover effects, and matching actors in the technology transfer process; 2) building innovation capacity and innovation skills – for example, creation of research and technology organizations, quality and technology transfer systems, and training centers; and 3) improving framework conditions – for example, promoting product market competition, strengthening intellectual property rights systems, and financing innovation (through seed and VC funds).

Reference	Action
SME 4.1	Commit to improved digital infrastructures, incorporating into the G20 Member Growth Strategies a five-year universal broadband connection target for G20 countries, and provide for continuous investment in next-generation digital networks.
SME 4.2	Promote collaboration between government, business, and stakeholders in education and science.

RECOMMENDATION 5: Ensure Business Reforms Are Geared To Create An SME-Friendly Business Environment

Reference	SME5
Recommendation	Ensure business reforms are geared to create an SME-friendly business environment through commitment to measurable improvement on ease and cost of doing business for SMEs, digitization of regulatory processes, and impact assessments.
Owner	G20 governments, World Bank Group, WTO / ITC.
Timing	Status update by 2016 G20 meeting.
Value	Increased G20 GDP growth by 1 percent by 2020 through the reduction of compliance costs by 25 percent (OECD). Increased number of new firms: a reduction of registration costs from the 75th percentile to the 25th percentile in the World Bank "Doing Business Rankings" is associated with a 10-11 percent increase in the number of new firms in industries with low barriers to entry relative to those with high barriers.
KPI	Ease of doing business score progression (World Bank). Number of days to register a firm (World Bank). Duration of bankruptcy proceedings (World Bank). Compliance costs for SMEs in dealing with government regulatory matters (ITC).

Context

Empirical evidence shows that reforms in the business environment benefit SMEs more than large firms. Reducing obstacles to business entry, lowering administrative costs of compliance, encouraging firms to be part of the formal economy, creating a level playing field, increasing transparency and certainty, and increasing labor market flexibility represent good strategies for facilitating the creation – and subsequent growth and survival – of SMEs.

ITC conducts large-scale company-level surveys to identify regulations that companies find burdensome. Non-tariff measures (NTM) business surveys complement the official data collected by identifying measures that exporters and importers – across various sectors and sizes – perceive to be problematic along with the reasons why. The quality of the business environment is the most critical bottleneck for 70 percent of SMEs from emerging markets.[23] Red tape costs, expensive and challenging logistics services, and new regulations prevent SMEs from accessing domestic markets. While significant progress has been made to improve the "ease of doing businesses", this continues to vary significantly across G20 countries and remains relatively low in some economies, at a level of 57-89 (on a scale of 1-100).[24]

23 SME Competitiveness Outlook 2015, ITC. Link
24 *Doing Business 2015, Going beyond Efficiencies*, 12th edition, World Bank, 2014. Link

Actions

SME 5.1: Ensure regulations take into account SME interests and commit to a simplification of regulations for target SME groups to create an SME-friendly business environment.

Given the magnitude of the youth unemployment challenge in both developed and developing economies, a radical improvement of business conditions for SMEs is needed to unleash their job-creation potential. Only comprehensive reforms that fundamentally rethink business conditions necessary for SMEs and entrepreneurs to thrive can provide the magnitude of change necessary to address unintended consequences of proliferating rules and standards, all legitimate in their own right, but which constrain SME growth. This can be achieved by, among other things, alleviating certain labour, tax, and regulatory conditions for SMEs up to a certain size threshold, and assigning specific measurable improvement targets.

Labour market flexibility is of particular importance to SMEs and entrepreneurs given the uncertainty associated with their market development. Eliminating regulatory barriers that prevent different forms of work arrangements such as part-time and temporary jobs, and allowing a flexible switch among these arrangements would encourage establishment of new businesses. For further details on labor market flexibility, see B20 Employment Taskforce policy paper, Recommendation 1.

A first step will be to commission a systematic "SME compatibility test" for each new regulation both at a national, regional, and global level. The macro benefit of global regulations and standards in financial services (Basel III and new finance regulations), global trade, and new environmental rules, needs to be specifically assessed against the ability of SMEs to comply and the resulting impact on maintaining a level playing field for smaller firms versus larger organizations.

SME 5.2: Improve digitization of government regulatory processes for speed, ease of access, transparency, and lower costs plus increased access to government procurement for SMEs.

Digitization of government processes is a key enabler of the simplification agenda. It is expected to provide ease and simplicity of access, increased transparency of procedures, and lower costs.

Leading practice 13: Digitizing government services
The UN E-government Survey 2014 assessed progress in terms of digitizing government processes and opening government data: the Republic of South Korea, Australia and Singapore were deemed to be the most successful. South Korea started implementing its "Advancement of e-government Strategy" in 2007, reaching a fully digitized public administration with advanced government-to-citizen (G2C) and government-to-business (G2B) service delivery together with multichannel communications and transactions.

Key areas of importance for SMEs in this space include: 1) single-point business registration across government agencies; 2) the opening of government procurement processes, for instance in terms of infrastructure, 3) e-customs procedures; 4) e-billing; and 5) e-tax procedures. In addition, the opening of government data is expected to fuel entrepreneurial innovation.

Reference	Action
SME 5.1	Undertake impact assessments of current and proposed regulations, treaties, and policies to ensure they take SME interests into consideration and commit to measurable improvements in the ease and cost doing business for SMEs.
SME 5.2	Improve digitization of government regulatory processes for speed, ease of access, transparency, and lower costs plus increased access to government procurement for SMEs.

THE VITAL ROLE OF THE WORLD SME FORUM

The B20 SMEs and Entrepreneurship Taskforce welcomes the official launch of the World SME Forum (WSF), announced on May 23, 2015, in Istanbul. The WSF is a global SME platform geared to supporting implementation of the proposed recommendations, and a major new initiative to drive the SME sector's contributions to global economic growth and employment.

Based in İstanbul, the WSF has been founded through a partnership between the Union of Chambers and Commodity Exchanges of Turkey (TOBB), the International Chamber of Commerce, and the ICC's World Chambers Federation (WCF).

The newly established WSF provides a direct channel for G20 leaders to mandate greater attention to and support for SMEs. The WSF represents an innovative form of private-public cooperation to spur economic growth and employment in line with existing G20 commitments. The WSF business model is centered on global advocacy, technical and advisory assistance for sustainable and resilient SME development, and facilitation of knowledge creation and dissemination through the establishment of networks and e-market platforms.

The WSF agenda will be developed and implemented in cooperation with multilateral organizations, leading think tanks, policymakers, and the business community. Areas of potential engagement for the WSF include:

- Ensuring that the economic interests of the global community of SMEs are more effectively represented in the deliberations of international governance bodies, which can be achieved through regular and sustained consultations at global standard-setting bodies such as the Financial Stability Board, and in the relevant G20 working groups.
- Building capacity, technical assistance, and advisory services for the application of international standards to facilitate access and upgrading of SMEs in GVCs. This can include the provision of certified information about SMEs regarding their products, business efficiency, management, quality, and financial standing through on-line connectivity platforms.
- Facilitating access to finance for SMEs by carrying out capacity building and providing technical assistance on how to become "investment ready" – including facilitation of an SME credit-rating toolkit and development of supporting infrastructure.
- Promoting investment in entrepreneurial skills through online platforms with free, universal access.
- Fostering collaboration between the scientific community, private sector, and public sector to unleash the innovation potential of the SMEs sector.

The WSF can serve as the secretariat to the B20 SMEs Taskforce in the future, and monitor the implementation status of SME-related recommendations accepted by the G20, to provide continuity and ensure progress on SME development. It can play a key role in ensuring that governments' SME agendas are more prominent and tightly coordinated across the G20 countries, for instance through the creation of permanent G20 SME collaboration mechanisms across relevant G20 ministries in order to harmonize policies and share best practices.

The WSF could further assess the following areas:

- Provide guidance in applying best practices for government-supported guarantee networks and facilitating the formation of SME mutual guarantee networks.
- Define ecosystems to provide online access to "fit-for-purpose SME integrated reporting" (finance, human capital, sustainability) based on international methodology.

- Support SMEs in developing a long-term strategic approach to business financing, through advisory services, training, and mentoring in cooperation with its partners.
- Help to enhance current regulations and arbitration procedures to facilitate the protection of SMEs' intellectual property and assets against infringement and aid resolution of disputes outside the home country.
- Provide guidance on best practices for creation of cooperatives and raise awareness among SMEs regarding how cooperative engagement has been effective in overcoming common SMEs problems (for example, lack of expertise, lack of market power, lack of economies of scale).
- Help to create an enabling environment for access to affordable insurance products from different institutional providers including SMEs.
- Work towards enabling SMEs to make strategic use of their intellectual assets, by: streamlining procedures for SMEs to gain access to intellectual property rights; improving litigation and enforcement mechanisms; and providing education, training, and advisory services for entrepreneurs and professionals serving SMEs.
- Develop mechanisms to encourage SMEs to implement UN Global Compact principles.
- Develop systems to support the transition of SMEs to next-generation entrepreneurs.
- Build global concrete definition(s) of SMEs based on existing definitions in G20 countries.

VALUE CALCULATION METHODOLOGY

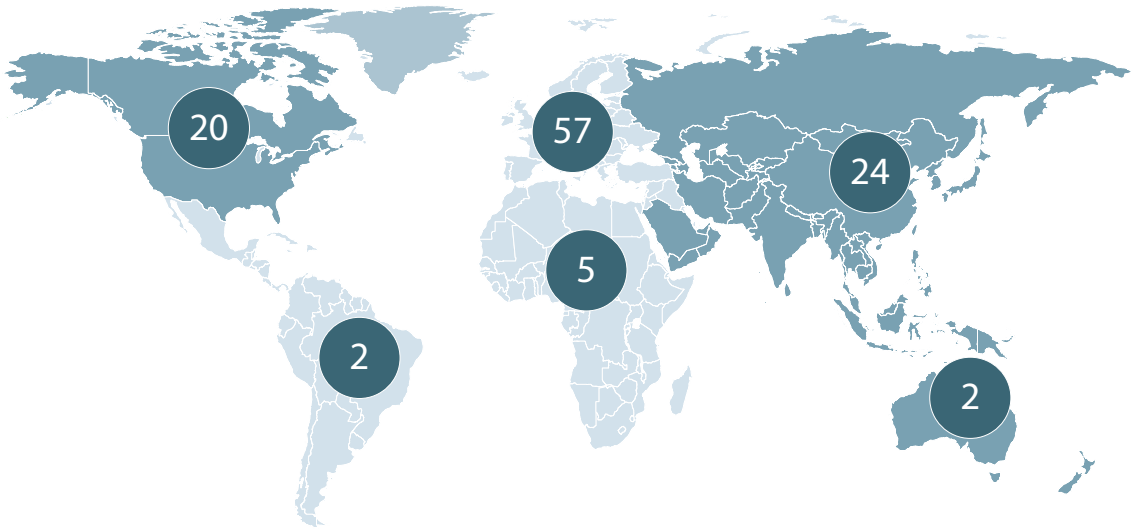
- Recommendation 2: Impact value of SMEs' improved access to finance on employment can be assessed using research data in the paper by Dinh Hinh T., Dimitris A. Mavridis and Hoa B. Nguyen "The Binding Constraint on Firms' Growth in Developing Countries".[25] Impact value of SMEs' increased access to finance on GDP growth can be assessed using research data described in the paper by Shinozaki and Shigehiro "A New Regime of SME Finance in Emerging Asia: Empowering Growth-Oriented SMEs to Build Resilient National Economies".[26]
- Recommendation 3: Impact value of SMEs' improved access to managerial and entrepreneurial skills on SMEs' productivity can be assessed using research data in the paper by Nicholas B. and J. Van Reenen, "Measuring and Explaining Management Practices Across Firms and Countries".[27]
- Recommendation 4: Impact value of SMEs' improved access to the digital economy and innovation ecosystems on GDP growth can be assessed using research data in the paper by Accenture "Digital Density Index: guiding digital transformation".[28]
- Recommendation 5: Impact value of the reduction of SMEs' compliance costs on GDP growth can be assessed using research data in the paper by the World Trade Organization "SME Competitiveness and Aid for Trade: Connecting Developing Country SMEs to Global Value Chains".[29] Impact value of the reduction of registration costs for SMEs on the number of new firms created can be assessed using research data in two papers 1) by Fisman R. and V. Sarria-Allende "Regulation of Entry and the Distortion of Industrial Organization";[30] and 2) by Klapper L., L. Laeven, and R. Rajan "Entry Regulation as a Barrier to Entrepreneurship". [31]

25 Dinh, Hinh T., Dimitris A. Mavridis and Hoa B. Nguyen, 2010, "The Binding Constraint on Firms' Growth in Developing Countries", Policy Research Working Paper 5485, World Bank. Link
26 Shinozaki, Shigehiro, 2012, "A New Regime of SME Finance in Emerging Asia: Empowering Growth-Oriented SMEs to Build Resilient National Economies", ADB Working Paper Series on Regional Economic Integration No. 104, Asian Development Bank. Link
27 Nicholas, B. and J. Van Reenen, 2007, "Measuring and Explaining Management Practices Across Firms and Countries", The Quarterly Journal of Economics, VOL CXXII issue 4; based on 732 medium-sized companies in the United States, France, Germany, and the United Kingdom. Link
28 Digital Density Index: guiding digital transformation, Accenture, 2015. Link
29 "SME Competitiveness and Aid for Trade: Connecting Developing Country SMEs to Global Value Chains", Geneva: ITC/WTO, 2014. x, 40 pages (Technical Paper), World Trade Organization (WTO), 2014.
30 Fisman, R. and V. Sarria-Allende, 2004, "Regulation of Entry and the Distortion of Industrial Organization", NBER Working Paper 10929, Cambridge, MA. Link
31 Klapper, L., L. Laeven, & R. Rajan, 2006, "Entry Regulation as a Barrier to Entrepreneurship". Journal of Financial Economics. 82(3): 591-629. Link

APPENDIX: Taskforce Schedule And Composition

Distribution of members

Country	No.	Country	No.	Country	No.
Australia	2	Italy	4	Turkey	17
Canada	5	Japan	1	United Kingdom	10
China	7	Korea	1	United States	15
France	7	Mexico	2	European Union	10
Germany	4	Russia	4	Other	11
India	3	Saudi Arabia	1		
Indonesia	1	South Africa	5		



Schedule of meetings

No.	Date	Location	Theme
1	6 March	İstanbul, Turkey	Kick-off meeting. Align on scope and list all topics to address.
2	25 March	Teleconference	Initial review of long list of potential recommendations and draft prioritization based on taskforce members' votes.
3	16-17 April	Washington DC, United States	First joint taskforce meeting/IMF meeting. Cross-pollinate with other taskforces and review first version of policy paper with short list of recommendations.
4	2 June	Paris, France	Second joint taskforce/OECD meeting. Refine second draft of policy paper.
5	9 July	Teleconference	Refine and finalize policy paper.

Draft recommendations of the taskforce were discussed in ten regional consultation meetings held in Saudi Arabia, India, Singapore, Azerbaijan, Brazil, Russia, Mozambique, Italy, and Ethiopia.

The taskforce will launch the policy paper at the B20 Conference to be held in Ankara, Turkey on September 3-5, 2015. The recommendations will be presented to the G20 leaders during the G20 Summit in Antalya in November 2015.

Taskforce members

Last Name	First Name	Position	Organization	Country
Coordinating Chairs				
Yurter	Melih	Board Member	Afyon Energy	Turkey
Andringa	Mary	CEO & Chair of the Board	Vermeer Corporation	USA
Co-chairs				
Dinçerler	Göktekin	Director	Turkven	Turkey
Nanterme	Pierre	Chairman & CEO	Accenture	France
Wang	Diane (Shutong)	Founder & CEO	DHgate	China
Working group				
Bouwkamp	Daryl	Senior Director of International Business Development and Government Affairs	Vermeer Corporation	USA
Kurguzova	Anna	Policy Content Manager	B20 Turkey	Turkey
Urhan	Cihan	Policy Content Manager	B20 Turkey	Turkey
Ergin	Ufuk Kadir	Project Coordinator	B20 Turkey	Turkey
Çağlar	Damla	Project Coordinator	B20 Turkey	Turkey
Morvan	Laurence	CEO Office Managing Director	Accenture	France
Hintermann	Francis	Global Managing Director	Accenture Research	France
Spelman	Mark	Managing Director	Accenture Strategy	UK
Nakonechnaya	Anna	Manager	Accenture Research	Russia
Doğan	Onur	Partner	Accenture	Turkey
Members				
Abruzzini	Arnaldo	Secretary-General	Eurochambres	Belgium
Alessandri	Nerio	Founder, Chairman and CEO	Technogym	Italy

Last Name	First Name	Position	Organization	Country
Alp	Doruk	Council Member	Chamber Of Commerce and Industry of Mugla	Turkey
Altop	Hande Didem	Managing Director	Endeavor Turkey	Turkey
Argüden	Dr. Yılmaz	Chairman	ARGE Danışmanlık	Turkey
Arnold	Kuijpers	Director European Affairs	Rabobank	Netherlands
Aydin	Burak	GM	Intel	Turkey
Baban	Alberto	President	TAPI SRL	Italy
Bahar	Bilge	Partner	Caria Financial Advisory	Turkey
Barra	Ornella	Executive Vice President of WBA and President and Chief Executive of Global Wholesale and International Retail	Walgreens Boots Alliance	USA
Beceni	Yasin	Managing Partner	BTS&Partners	Turkey
Beceni	Yasin	Managing Partner	BTS&Partners	Turkey
Bergevin	Christiane	Executive Vice-President	Desjardins Group	Canada
Borisov	Sergey	Chairman of the Board of Trustees	All-Russian Non-Governmental Organization of Small and Medium Business "OPORA RUSSIA"	Russia
Buckley	Angela	Business Development Leader	Ernst and Young	UK
Castanon	Juan Pablo	President	COPARMEX	Mexico
Catherine	Minard	International Director	MEDEF	France
Chambliss	Ed	Senior Vice President	Rapid Ratings International Inc.	USA
Citron	Laura	Managing Director, Government & Public Sector Practice	WPP	UK
Çorbacıoğlu	Candan	Europe Corporate Affairs Area Manager	Amway	Turkey
Davis	Nicholas	Senior Director, Head of Europe	World Economic Forum	Switzerland
Demers	Jacques	Global Head, Investment Partners & Partnerships	OMERS	Canada
Dicker	Ian	Chairman	Steritech Pty Ltd	Australia
Donelli	Luca G.	CFO	Donelli	Italy
Düzenli	Aslı	Director of SME and Agricultural Banking Group	Yapı Kredi Bank	Turkey
Esper	Olivier	Director of International Relations	Google	Turkey
Everaert	Peter	Managing Director Industrial Markets Asia Pacific	Korn Ferry	USA
Faralyalı	Begümhan Doğan	Chairwoman of Board of Directors	Doğan Group of Companies	Turkey
Farazi	Aliakbar	Vice Presiden for International Affairs	Iran Chamber of Commerce, Industries, Mines and Agriculture	Iran
Fattouh	Wissam	Secretary General	Union of Arab Banks	Lebanon
Fayat	Şeref	President	Turkish Clothing Manufacturers Association	Turkey
Fingleton	John	CEO	Fingleton Associates	UK
Flanagan	James	Managing Partner	Strategic Commons	China
Goleberg	Ronnie L	Senior Counsel	USCIB/IOE/BIAC	USA
Gonzalez Laya	Maria Aranzazu	Executive Director	International Trade Centre	Switzerland

Last Name	First Name	Position	Organization	Country
Gould	Charles	Director-General	International Co-operative Alliance	Belgium
Gouveia	Rodrigo	Director of Policy	International Co-operative Alliance	Belgium
Grey	Mark	GCEL Advisory board	Global Coalition for Efficient Logistics	Switzerland
Grue	Clark	President & CEO	Rainmaker GBD	Canada
Harada	Takeo	CEO and Representative	Institute for International Strategy and Information Analysis, Inc.	Japan
Hardy	Jeffrey	Director, ICC G20 CEO Advisory Group	ICC	France
Harrison	Robert	Board Member	German Australian Business Council	Germany
Hurel	François	BIAC Chair of the SME and Entrepreneurship Task force and Délégué Générale of the French Statutory Auditors Administration	BIAC and CNCC	France
Ivanov	Alexey	Director of Legal Policy and Social Development Department	Skolkovo Foundation	Russia
Jonow	Nicklas	Partner	Pacific Consulting Group (Asia) Ltd	China
Josephs	Marsha	Vice President, Corporate and Public Affairs	Futurpreneur Canada	Canada
Juenger	Guenther	Director Corporate Affairs	Intel	USA
Kalantri	Vijay	President	All India Association of Industries (AIAI)	India
Kaptan	Erkan	Senior Policy Analyst	Google	Turkey
Karaağaoğlu	Sertaç Fuad	Manager of Index and Data Unit	İstanbul Borsa A.Ş.	Turkey
Kawlath	Bertram	Managing Partner	Schubert & Salzer GmbH	Germany
Khoury	Samer	President Engineering & Construction	Consolidated Contractors Company	Greece
King	Mervyn	Professor	Mervyn E King SC	South Africa
Koç	Kenan	Board member	Tekstüre Çorap / Tekstil İşveren Sendikası	Turkey
Koreen	Miriam	Deputy Director	OECD	France
Kurul	Aslı	Search and Services Director	Endeavor Turkey	Turkey
Kutsoy	Berrak	Advisor	Pegasus Airlines	Turkey
Langley	Kevin	Owner	Ellis Construction, Inc.	USA
Laurent	Lascols	Head of Public Affairs	Societe Generale	France
Lee	Gary	Vice President - Regional Sales and Marketing	Tee Yih Jia Food Manufacturing Pte Ltd	Singapore
Lee	Michael	YES Korea	President	South Korea
Leow	Lawrence	Chairman, SME Committee	Singapore Business Federation	Singapore
Liddle	Jeremy	CEO & G20YEA President, Australia	Capital Pitch	Australia
Lynch	Kevin	Vice Chairman	BMO Financial Group	Canada
Martono	Sri	Vice President, Executive Management and concurrently Chairman of YDBA (Dharma Bhakti Astra Foundation)	PT Astra International Tbk.	India
Mazwai	Thami	Chairman	Mtiya Dynamics	South Africa

Last Name	First Name	Position	Organization	Country
Meyerstein	Ariel	Vice President, Labor Affairs, Corporate Responsibility & Corporate Governance	United States Council for International Business	USA
Mio	Chiara	Chairwoman of Board of Directors	Banca Popolare FriulAdria	Italy
Mitchell	Alex	Director	Young Brits	UK
Motau	Innocentia	President	Young Entrepreneur South Africa	South Africa
Musayev	Mammad	President	National Confederation of Entrepreneurs(Employers') Organizations of Azerbaijan Republic	Azerbaijan Republic
Ngonyama	Babalwa	Chief Executive Officer	Constant Capital	South Africa
Olivier	Kuentz	Founder	KADULIA	France
Papagiannopoulos	Lykourgos	President & CEO	LVP HELLAS S.A.	Greece
Patel	Sabbir	Senior Vice-President, Emerging Markets	ICMIF	UK
Pinelli	Maria	Global Vice Chair, Strategic Growth Markets	EY	UK
Rabmer-Koller	Ulrike	Acting President	Economic Chamber of UPPER Austria	Austria
Renaud	Christian	Principal	StartupCity Des Moines	USA
Repik	Alexey	President	Delovaya Rossiya	Russia
Rosenberg	David	Founder and CEO	AeroFarms	USA
Salzberg	Barry	Global CEO	Deloitte	U.S.A.
Sánchez	Juan Gabriel	CEO	Quotidian S.A.	Argentina
Sedov	Victor	President, CEO	CFE, LLC	Russia
Sentilhes	Grégoire	President	NEXTSTAGE	France
Serra	Davide	Founder & CEO	Algebris Investments	UK
Smith	Brad	Chief International Officer	American Council of Life Insurers	USA
Suri	Jyotsna	Chairperson & Managing Director	Bharat Hotels Limited	India
Surve	Iqbal	Executive Chairman	Sekunjalo Holdings	South Africa
Thibault	Lanxade	Chairman	Algolinked	France
Thorns	Matthias	Senior Adviser	IOE	Switzerland
Tilley	Charles	Chief Executive	CIMA	UK
Torres Declet	Brandon	CEO	Measure, a 32 Advisors Company	USA
Treier	Volker	Deputy CEO	DIHK	Germany
Tsingos	Dimitris	Founder & CEO	StartTech Ventures	Greece
Ultav	Cengiz	Chairman	Technology Development Foundation of Turkey	Turkey
Vardi	Joseph	Chairman	International technologies	Israel
Viezzoli	Claudio	Managing Director	EBRD	UK
Wang	Li	Secretary General	CCOIC Small and Medium Enterprises Commission	China
Williams	Steve	Regional Executive, Europe & the Americas	Lockheed Martin Corporation	USA
Zhan	James X.	Director	UNCTAD	Switzerland
Zhang	Yixiao (Kenneth)	President	Haohe Green Building Research Co., Ltd	China
Zorlu	Emre	Board Member	Zorlu Holding	Turkey

LIST OF ACRONYMS AND GLOSSARY OF TERMS

AIAI	All India Association of Industries
ABTC	APEC Business Travel Card
CIMA	Chartered Institute of Management Accountants
G2B	government-to-business
G2C	government-to-citizen
G20YEA	G20 Young Entrepreneurs' Alliance
GEM	Global Entrepreneurship Monitor
Global KSP	The Skills for Employment Global Public-Private Knowledge Sharing Platform
GVC	global value chain
ICC	International Chamber of Commerce
IFC	International Finance Corporation
IIRC	International Integrated Reporting Council
ILO	International Labour Organization
IoT	Internet of Things
ITC	International Trade Centers
OECD	Organisation for Economic Co-operation and Development
P2P	peer to peer
SEP	Startup Europe Partnership
SME	small and medium-sized enterprise
TiVA	trade in value added
TOBB	Union of Chambers and Commodity Exchanges of Turkey
UNESCO	United Nations Educational, Scientific and Cultural Organization
VC	venture capital
WCF	ICC's World Chambers Federation
WSF	World SME Forum