

This document lays out the DPA's narrative on Sustainability and recommendation for policymakers on how to capitalize on digital technologies to accelerate the APAC region's progress towards sustainable growth.

Key Message 1: Small and Medium Business (SMB) play a critical role in helping a country achieve its Sustainable Development Goals (SDG)

- Today's economic success can no longer be measured through traditional financial metrics alone. Equally, if not, more importantly, countries need to be able to drive long-term sustainable growth. Strategies for spurring economic growth must go hand-in-hand with reducing inequality, tackling climate change and preserving our environment and natural resources.
- Small and Medium Business (SMB) have a critical role to play in this. SMBs account for over 90% of economy in APAC and employ between 60 to 80% of the workforce. SMBs are also present in the value chains of larger corporations.
- Therefore, SMBs are a key player in the economy, and the sustainability of SMBs will affect the sustainability of larger corporations and the country's economy.

Key Message 2: Governments should partner SMBs to enable this green transformation

- Advancements in technology can help SMBs become more sustainable. E.g. using data driven platforms to help optimize energy use, conduct fault detection and carry out predictive maintenance as well as workforce and equipment productivity enhancements.
- Such technological advancements can help SMBs be more energy efficient, and will help drive the growth of the green economy in the region.
- Governments should support SMBs to get access to or use sustainable technologies through 1/public-private partnerships funding research and development in such tech, 2/financial support in the form of low-interest loans, green financing.

Policy recommendations:

1. For governments to support SMBs to access and adopt sustainable technologies, such as through public-private partnerships in funding research and development; and finding technological tools for industries to achieve SDGs. Collaboration and knowledge-sharing are essential for advancing sustainability in the region.
2. For governments to provide incentives and financial support for SMBs to adopt green technologies. Green finance such as offering low-interest loans, grants, and tax incentives for businesses that invest in sustainable practices can help SMBs make the necessary investments towards a more sustainable future.
3. For governments to continue to invest in energy efficiency and proactively seek to expand the market availability of renewable energy. This can be through increasing corporate renewable energy investment options and supporting market structures that facilitate direct procurement between suppliers and corporate customers.