

Warsaw, 5 March 2024

## Annex to the report “Study on the awareness and preparedness to implement the sustainable development policies in the SME sector in Poland” carried out on request of the Ministry of Economic Development and Technology.

The outcomes and key conclusions from the study aimed at diagnosing the awareness and preparedness to implement the sustainable policies in the SME sector in Poland were presented on 28 February 2024. The presented data provided the basis for discussion on the possible actions that could be taken by the governmental administration in cooperation with the private sector in order to support and encourage the Polish SMEs to initiate the activities addressing the concept of sustainable development and ESG.

The meeting organised by the Ministry of Economic Development and Technology was attended by the representatives of the Polish Chamber of Commerce, Responsible Business Forum, Polish ESG Association, Polish Agency for Enterprise Development, Warsaw Stock Exchange and the SGH Warsaw School of Economics. In the course of the discussions, the recommendations of educational, specialist and financial nature as well as on the protection against the superficial actions were formulated.

### Educational support

- **The SME sector enterprises need a systemic support of educational and informational nature.** As a starting point, it is necessary to clarify the basic concepts and then proceed with among others: familiarising the entrepreneurs with the requirements stemming from the EU regulations on ESG (as for example the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). At the same time, the educational actions should be targeted at the society in order to build the public opinion awareness on the importance of sustainable development and ESG in creation of the modern economy.
- **The communication actions should make the enterprises aware of the inevitability of the sustainable development processes for their businesses.** As the new regulations in this area are being implemented, the increasing number of enterprises will be forced to introduce changes in their businesses and report the ESG data. The changes will cover also the SME sector - a failure do adapt the business model will expose a small or medium-sized enterprise to the risk of losing the competitive advantage and inability to continue its operations within the supply chains of large business counterparts. The communicative actions should lead to a changed approach among the entrepreneurs. A response of the enterprises to the sustainable development requirements is a must rather than a temporary trend.
- **All-Poland informational campaign addressed to small and medium-sized entrepreneurs should clearly demonstrate long-term benefits from the implementation of sustainable development in the enterprise.** The message should be tailored to the SMEs needs and based on the examples. The enterprises should be informed not only about the inevitability of reporting within the supply chain, but also about the benefits from enhancing competitiveness of the enterprises, among others by implementation of the sustainable development strategies. The informational actions should emphasize the essence of the individual sustainable



development areas, such as circular economy, which have been already known to the entrepreneurs. In effect, they will perceive the issues related to sustainable development intuitively. At the same time, the educational actions cannot be implemented only at the central level - the enterprises must be communicated at the local level and in their business environment.

- **The language used in the reasoning supporting implementation or the policies or solutions consistent with the sustainable development rules should be the language of benefits.** For example:  
“Implementation of the regulations, policies or specific measures in the area of sustainable development/ESG brings measurable benefits to an enterprise, for example in the form of reduced costs of operation or attracting the new customers”.
- **The governmental administration should inform the entrepreneurs on the important sustainable development issues on an on-going basis,** using the existing communication channels or via a dedicated website forming a comprehensive source of ESG knowledge, e.g. similar to [biznes.gov.pl](http://biznes.gov.pl). In the opinion of experts, information published on the governmental websites is perceived by the entrepreneurs as credible.

### Specialist support

- **Large enterprises called the leaders of sustainable transformation in Poland should act as the mentors for small and medium-sized entities, sharing their knowledge and experience in the implementation of sustainable development in business area.**
- Although the EU ESG regulations, such as CSRD and ESRS, have been translated to Polish, there are many reported cases of translation errors. **Therefore the entrepreneurs expect a systemic support in the interpretation of the provisions of law, which are of key importance for drawing-up the reports containing the ESG data.**
- **The entrepreneurs expect clear information on how a responsible enterprise should follow the sustainable development rules.** There is a need for translating a difficult language of the ESG regulations into the language of business practice. Preparing a check-list according to which an enterprise could verify its operations (for example, whether it has implemented the specific sustainable development policies such as switching towards circular economy, reducing energy intensity, care of well-being at work) could be a useful solution. The tools developed in this way should be intuitive and support the entrepreneurs in reporting sustainable development in a way to minimise the need for specialist trainings or expensive advisory services.
- **Providing a “tailor-made” training offer meeting the needs of a small and medium-sized enterprise.** For example, the Polish Agency for Enterprise Development (PARP) offers free-of-charge e-learning courses with the option of obtaining a certificate confirming the expertise (for example Sustainable Development in SME course) as well as intends to carry out the study visits in the selected enterprises and provide access to the network of contacts to the experts specialising in the specific ESG areas.



### Financial support

- **Introducing the financial incentives, reliefs for the SMEs applying the sustainable development solutions (for example circular economy, energy efficiency) would encourage the entrepreneurs to pursue the activities complying with the sustainable development rules.**
- **The entrepreneurs should be encouraged to benefit from the EU funds, which may support implementation of specific projects addressing the sustainable development principles, for example the cohesion policy.**
- **The market experts in sustainable development responsible for preparation of educational materials and trainings for the enterprises should be provided with relevant support.** When co-financed, such experts will spend more time on free of charge educational and informational activity, which will contribute to better availability of the professional, publicly accessible offers on the market, including at the local level.

### Support against superficial activities

- **Counteracting so called “expert report pathologies”** - there are plenty of offers available on the market to hire the ESG experts or to provide access to the services of the consultants supporting an enterprise in the implementation of the sustainable development policies in their enterprises. On one hand, such support or gaining competences by one’s own during the dedicated courses or post-graduate studies exceeds the financial capacity of the SMEs, while on the other hand there are hardly any audit activities that would verify quality of the provided services or knowledge gained by the enterprises at the courses or post-graduate studies.
- **There are many tools available on the market that could support the enterprises in the ESG data reporting process. In the opinion of experts, there is a need for their approval by the State or for creating a ranking, on the basis of which the entrepreneurs could assess the relevance of such tools for their business.** According to the experts, certain countries have been introducing the tools to calculate the carbon footprint certified by the public administration. Developing the list of available tools will also make the entrepreneurs aware of the services already existing on the market.