



**Participation in Decarbonization
by Equity-Deserving Groups:**
**A Comparative Analysis of Canada
and the United Kingdom**

Partners



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Executive Summary

Context

Canada and the United Kingdom have committed to reaching net-zero greenhouse gas emissions by 2050. SMEs make up more than 99% of businesses in both countries and account for a substantial share of business-related emissions, so their participation in decarbonization matters. However, they differ considerably in their size, sector, location, ownership, financial resources and internal capacity. These differences shape both their opportunities to decarbonize and the barriers they face. There is also an equity dimension. Equity-deserving SMEs are distributed differently across sectors, business sizes and regions and may face unequal access to financing and support. At the same time, gaps in disaggregated data make it difficult to identify where barriers are greatest and which supports are working. SMEs also need practical skills to understand environmental requirements, measure and report emissions, assess technologies and navigate financing and procurement opportunities.

Study design and sources

This report examines SME decarbonization in Canada and the UK, with particular attention to businesses owned by women, Indigenous peoples, immigrants, racialized and minority ethnic groups, persons with disabilities and other equity-deserving groups. It considers how decarbonization differs by ownership, sector, business size and region, and how existing policies and support systems respond to these differences. The analysis draws on academic and policy research, government surveys and datasets, Canadian survey and interview evidence, and data from the UK's Low Carbon Across the South and East (LoCASE) program. Because Canada and the UK use different definitions and measures, the report focuses primarily on patterns within each country rather than treating all indicators as directly comparable.

SME decarbonization in Canada and in the United Kingdom

The findings show an uneven pattern of SME decarbonization. In Canada, clean technology adoption is higher in manufacturing and primary and resource-related industries and lower in many service sectors. This matters because women- and racialized-owned businesses are more strongly represented in several service industries, while Indigenous-owned businesses have stronger representation in construction and primary industries. The UK shows a different sectoral pattern, with relatively high levels of emissions-reduction activity in several service sectors. Business size is also important: adoption of clean technologies and more formal activities such as emissions measurement and target setting generally increase with organizational capacity. At the same time, the evidence does not show that equity-deserving SMEs are consistently less engaged in environmental action. Women-owned, Indigenous-owned and disability-owned SMEs report relatively strong participation in several environmental practices, while women- and ethnic minority-owned businesses also participated actively in the LoCASE program.

Location creates another layer of difference. Rural businesses can be highly engaged in environmental action but may face greater difficulties accessing skilled workers, financing, infrastructure and specialized expertise. More broadly, the policy and support landscape remains uneven. In Canada, only about one-quarter of the decarbonization programs reviewed included targeted or additional support for diverse majority-owned businesses, and skills training remains limited. UK support also varies by region and has been affected by changes in institutions and program funding. In both countries, gaps in disaggregated data make it difficult to determine which SMEs face the greatest barriers, who is accessing support and which interventions are most effective.

Skills and SME adaptability

These findings have important implications for skills and SME adaptability. SMEs need capabilities to understand environmental requirements and business opportunities, measure and report emissions, assess and implement technologies, navigate financing and support programs, and translate environmental knowledge into operational change. The Green Skills Competency Framework, developed by the Diversity Institute identifies three complementary levels of skills: foundational skills and basic green literacy, transformational skills, and deep green skills. The evidence also shows that skills needs differ by business size, sector, ownership and location.

Skills development alone, however, will not address the barriers SMEs face. Training needs to be connected with financing, technical advice, advisory services and business networks that help SMEs apply new knowledge in practice. Smaller and equity-deserving SMEs may require particularly accessible and context-specific support because limited staff, capital and specialized expertise can make more technical forms of decarbonization difficult to implement. This is consistent with the broader finding that technical skills training needs to be accompanied by context-specific support and funding.

The way forward

Going forward, priorities include improving disaggregated data; tailoring programs to differences in sector, size, ownership and region; expanding practical green skills development; connecting training with financing and technical assistance; making support easier to navigate; and working with SME, regional and community networks to design and evaluate programs. These actions can help more SMEs move from environmental interest and individual practices toward sustained, measurable decarbonization.

Context

Canada and the United Kingdom have committed to reaching net-zero greenhouse gas emissions by 2050.^{1, 2} Achieving these goals will require action across the economy, including among small and medium-sized enterprises (SMEs). SMEs account for more than 99% of businesses in Canada and approximately 99% in the UK.^{3, 4} They also account for almost half of business-related greenhouse gas emissions in both countries.^{5, 6} This makes SME participation an important part of the transition to a low-carbon economy.

SMEs face a range of practical challenges in moving toward decarbonization. Many are very small businesses with limited staff and few specialized functions, so activities such as assessing new technologies, collecting emissions data, navigating funding programs or changing business processes may need to be managed alongside day-to-day operations. Research identifies limited capital, internal capacity and specialized expertise as important constraints.^{7, 8}

These challenges also have an equity dimension. Women, Indigenous peoples, immigrants, racialized and minority ethnic groups, persons with disabilities and other equity-deserving groups participate in entrepreneurship across different sectors, firm sizes and geographic contexts. Canadian ownership data show that business characteristics vary by gender, Indigenous identity, immigrant status and visible minority status across location, business size and industry.⁹ For some equity-deserving groups, these differences can also overlap with unequal access to financing and other forms of support.¹⁰ As a result, SME decarbonization cannot be understood through a single model of the firm. The opportunities and barriers facing a small service business, for example, may differ considerably from those facing a larger manufacturer or a rural or Indigenous-owned enterprise.

Another challenge is the quality of the available evidence. Emissions and decarbonization data are often organized by sector or business size but are rarely linked to majority-ownership characteristics. In Canada, the national greenhouse gas inventory reports emissions by source and sector rather than by business size or ownership.¹¹ In the UK, official business population data are available by employee size, industry and geography, while ownership and ethnicity data are published separately.^{12,13} These gaps make it difficult to determine where barriers are greatest, which businesses are accessing support and what approaches work for different groups.

Skills are part of this broader capacity challenge. SMEs may need knowledge and capabilities to understand changing environmental requirements, measure and report emissions, assess technologies, adapt business processes and identify relevant financing or procurement opportunities. The Green Skills Competency Framework distinguishes between foundational skills and basic green literacy, transformational skills, and deep green skills. However, skills development cannot be separated from the financial and organizational conditions in which SMEs operate. The evidence points to the importance of combining skills development with information, practical support and other resources that help SMEs implement sustainable practices.¹⁴

These challenges are closely connected to FSC’s focus on SME adaptability, sustainable jobs and an inclusive economy. Helping SMEs build the skills and capacity to respond to changing environmental requirements can support their transition, while ensuring that smaller and equity-deserving businesses are able to participate in the transition to a low-carbon economy.

Study Design and Sources

This study examines SME decarbonization in Canada and the United Kingdom, with particular attention to SMEs owned by women, Indigenous peoples, immigrants, racialized and minority ethnic groups, persons with disabilities and other equity-deserving groups. It considers how decarbonization differs by ownership, sector, business size and region, and how policies and support systems respond to these differences.

The study addressed five questions:

1. What role do SMEs play in decarbonization in Canada and the UK?
2. What are the barriers and enablers for SMEs in transition planning?
3. What role do SMEs owned by Indigenous peoples, women, immigrants, racialized people and other equity-deserving groups play in decarbonization, and do they have distinct needs and capabilities?
4. How do policies in Canada and the UK support SME decarbonization, and do they address the needs and capabilities of SMEs owned by equity-deserving groups?
5. How can evidence-informed and inclusive strategies for SME decarbonization be improved?

The analysis draws on several sources of evidence. Academic research, government publications, policy documents and industry reports were reviewed alongside government surveys, census data and regional economic datasets. In Canada, the study also drew on survey and interview data collected through research involving partners including the Canadian Council for Indigenous Business, Coralus and BMO. In the UK, the analysis included data from the Low Carbon Across the South and East (LoCASE) program, which operated from 2016 to 2023 and supported more than 1,200 businesses through the European Regional Development Fund.

The available evidence does not always allow direct comparison between Canada and the UK. The two countries use different definitions, measures and categories for SME decarbonization, and the availability of data by ownership, sector, business size and region also differs. The comparisons in this report therefore focus on patterns within each country and areas where the evidence is sufficiently similar to draw broader insights.

SME Decarbonization in Canada and the United Kingdom

SMEs are not a single, uniform group. Their opportunities to decarbonize differ by sector, size, location and ownership. These differences are particularly important for equity-deserving SMEs, which are concentrated differently across sectors and often face different levels of access to capital, expertise and support.

Sector and ownership patterns

In Canada, clean technology adoption differs substantially by sector. Manufacturing reports the highest adoption rate at 15.7%, followed by agriculture, forestry, fishing, hunting, mining and oil and gas extraction at 12.6%. Adoption is lower in retail trade (9.1%), transportation and warehousing (7.7%), wholesale trade (7.3%) and construction (6.7%). Service-based industries, including information, real estate, administrative support, health care, and arts and entertainment, report some of the lowest rates, at about 5.2%.¹⁵

These sector differences matter for equity-deserving SMEs. Women- and racialized-owned businesses are less represented in primary industries, construction and manufacturing and more represented in professional, scientific and technical services. Women-owned SMEs are also well represented in retail trade, while racialized-owned SMEs have a stronger presence in transportation and warehousing and accommodation and food services. Indigenous-owned SMEs are more strongly represented in construction and primary industries.¹⁶

The UK presents a different picture. Some of the highest levels of emissions-reduction activity are found in service sectors. In 2021, 57.7% of businesses in education, 56.7% in real estate and 54.1% in accommodation and food services reported taking action to reduce emissions.¹⁷

Ownership also varies across UK sectors. Women-led SMEs are strongly represented in health and social work, education, professional and scientific services, and accommodation and food services. Ethnic minority-led SMEs have relatively strong representation in administrative services, transportation and storage, accommodation and food services, and professional and scientific services.^{18, 19}

The findings highlight an important issue for inclusive decarbonization: the sectors in which SMEs operate affect the opportunities, pressures and support they encounter. Equity-deserving SMEs are

concentrated differently across the economy, so effective support needs to reflect both ownership and sector rather than treating all SMEs in the same way.

Business size and capacity

Business size is closely linked to the ability of SMEs to invest in decarbonization. In Canada, clean technology adoption rises steadily with the number of employees. In 2023, 5.1% of businesses with 1-4 employees reported adopting clean technology, compared with 9.7% of businesses with 5-19 employees, 13.4% with 20-99 employees and 23.7% with 100-499 employees.²⁰

A similar size pattern appears in the UK. In 2025, 73% of sole proprietors reported taking at least one action toward net zero, compared with 78% of businesses with 1-9 employees, 86% with 1-49 employees and 90% with 50-249 employees. More formal activities show wider gaps. Only 10% of sole proprietors measured all or part of their carbon footprint, compared with 22% of businesses with 1-9 employees, 30% with 10-49 employees and 51% with 50-249 employees. Net-zero targets also increased with size, from 6% of sole proprietors to 29% of businesses with 50-249 employees.²¹ The pattern extends beyond environmental action itself. Larger UK SMEs are more likely to be asked for carbon data, engage with stakeholders on net zero and identify benefits from decarbonization.²² This suggests that smaller businesses may be participating in practical environmental actions while having less capacity to undertake more formal activities such as emissions measurement, target setting and reporting.

For equity-deserving SMEs, business size can add another layer to existing barriers. Smaller firms have fewer people and resources available to assess technologies, secure financing, collect emissions data and manage implementation alongside day-to-day operations. Support for SME decarbonization therefore needs to reflect differences in organizational capacity, rather than assuming that micro, small and medium-sized businesses can respond in the same way.

Environmental practices among diverse SMEs

Canadian data show that several equity-deserving ownership groups report relatively high participation in specific environmental practices. In the third quarter of 2024, 26% of women-owned SMEs reported using recycled materials, compared with 20% of SMEs overall. Indigenous-owned SMEs were more likely to report using sustainable processes, at 19% compared with 13% overall. SMEs owned by persons with disabilities also reported relatively high rates of reducing energy consumption (50.7%) and water consumption (22.7%).²³

Similar patterns appear in waste reduction and business practices. Women-owned SMEs reported reducing waste at a slightly higher rate than SMEs overall (53% compared with 48%). SMEs owned by persons with disabilities reported particularly high rates of waste reduction (63.4%) and reducing air pollution (33.6%). Women-owned SMEs were also more likely to encourage employees to adopt environmentally friendly practices (39% compared with 34%) and to consider suppliers' environmental

practices (18% compared with 12%). Indigenous-owned SMEs were somewhat more likely to have a written sustainability policy (8% compared with 5%).²⁴

However, measurement and reporting remain much less common. Across Canadian SMEs, only 4% reported measuring their carbon footprint, 3% had obtained environmental certifications and 2% had audited their environmental practices.²⁵ This suggests that formal measurement, auditing and reporting remain uncommon among Canadian SMEs.

UK evidence also points to differences by ownership. In a 2022 survey, 53% of women-led SMEs identified reducing environmental impact as a business priority, compared with 47% of other SMEs. Ethnic minority-led SMEs were somewhat less likely to prioritize reducing costs or environmental impact, but more likely to identify social and community benefits as a priority (29% compared with 23%).²⁶

Data from the UK's LoCASE program provide another indication of participation. Women-owned SMEs represented about 15% of the SME population used for comparison but accounted for 20.7% of LoCASE applicants and 18.9% of businesses receiving decarbonization grants. Ethnic minority-owned SMEs represented about 6% of the SME population, compared with 9.8% of applicants and 9.4% of grant recipients.^{27, 28, 29}

Overall, the evidence does not show that equity-deserving SMEs are consistently less engaged in environmental action. Several groups report relatively strong participation in particular practices, and the LoCASE experience shows active participation in a targeted decarbonization program. At the same time, more formal activities such as emissions measurement, auditing and reporting remain limited. This points to an important distinction between interest and practical environmental action on the one hand, and the capacity to undertake more technical or resource-intensive decarbonization activities on the other.

Regional differences

Location also shapes SMEs' opportunities and barriers to decarbonization. In Canada, urban SMEs are more likely than rural SMEs to have made or be considering a net-zero commitment (14.9% compared with 11.3%).³⁰

Regional differences also overlap with ownership. Rural Canadian SMEs are less likely to be majority-owned by women, visible minorities or persons with disabilities, but more likely to be majority-owned by Indigenous people. Primary decision makers in rural SMEs are also more likely to be Canadian-born.³¹ These differences reinforce the need to consider location together with ownership when developing support for SME decarbonization.

In the UK, rural SMEs show relatively strong participation in several environmental activities. In 2021, 59% reported taking steps to reduce emissions, compared with 56% of urban SMEs. Rural SMEs were also more likely to provide environmental training to staff (39% compared with 35%), monitor air pollution (39% compared with 25%) and undertake carbon-market research (26% compared with 20%).

Urban SMEs were slightly more likely to switch to renewable energy and introduce new technologies.^{32, 33}

Rural UK businesses also reported strong results from their environmental actions: 78% said the steps they had taken reduced emissions by more than 10%, compared with 65% of urban firms.³⁴ At the same time, rural enterprises can face greater difficulty finding and retaining skilled workers, which can limit their ability to move toward more technical or capital-intensive changes.³⁵

The regional evidence shows that rural SMEs are not necessarily less engaged in decarbonization. The challenge is that the types of opportunities, infrastructure, skills and financial resources available to them differ from those available to urban businesses. Regional support therefore needs to reflect local industries, workforce conditions and access to financing and technical expertise.

Data, policy and support gaps

SMEs have access to a range of decarbonization programs, but the support available does not always match their needs. In Canada, our review identified 43 national, provincial and territorial policies and programs that directly support decarbonization. SME-focused programs commonly provide energy audits and technical assessments, while financial support often focuses on lower-cost measures such as LED lighting, smart thermostats and basic HVAC upgrades. Skills training is included in some SME programs, but remains limited.

Support for equity-deserving SMEs is even less common. About 26% of the Canadian programs reviewed included targeted or additional support for diverse majority-owned businesses. Available supports included cost-sharing, subsidies, tax credits and assistance with renewable energy investments. Some programs also provided technical advice, emissions accounting and training to help businesses manage energy systems or access additional funding. However, broad and coordinated support specifically for SMEs and equity-deserving business owners remains limited.

The UK also has a wide range of SME decarbonization supports, but access varies considerably by region. Scotland and Northern Ireland have maintained more consistent approaches, while England has experienced repeated changes in regional institutions and shorter program cycles.³⁶ Since the end of European Regional Development Fund support, newer approaches have increasingly included sector-specific programs, peer learning, place-based business networks and different forms of financing alongside traditional grants and audits.³⁷

A further challenge in both countries is the lack of detailed data. Information on emissions and environmental practices is often available by sector, business size or region, but is rarely connected consistently with ownership characteristics. This makes it difficult to identify which groups face the greatest barriers, who is accessing available programs and which forms of support are working. Better data linking business size, ownership, workforce characteristics and decarbonization activity would make it easier to design more targeted support.

Together, these findings show that SME decarbonization support remains fragmented and uneven. The types of support available differ by sector, business size, ownership and location, while gaps remain in financing, technical assistance, skills development and access to relevant programs.

Skills and SME Adaptability

The differences identified in the previous section have important implications for skills.

Decarbonization is not only a question of financing or access to technology. SMEs also need the knowledge and capabilities to understand environmental requirements and opportunities, assess appropriate solutions and put changes into practice. This can be particularly challenging for smaller businesses, where owners and employees often perform several functions and have limited access to specialized expertise.³⁸

Skills needs emerging from the evidence

One clear need is **understanding environmental requirements and opportunities**. SME owners and employees need to understand how changing regulations, reporting expectations and customer or supply-chain requirements relate to their business. They also need enough environmental knowledge to identify where changes to operations can improve efficiency, reduce costs or respond to emerging market expectations.^{39, 40}

A second need is **measurement and data skills**. As discussed in the previous section, formal emissions measurement and auditing remain uncommon among Canadian SMEs.⁴¹ Carbon accounting, emissions measurement and reporting require businesses to collect and interpret data, understand where emissions occur and respond to information requests from customers, investors, lenders and other organizations in their value chains. The Green Skills Competency Framework therefore includes data collection, carbon footprint accounting and emissions reporting among the competencies needed to translate environmental knowledge into business action.⁴² The FSC report on ESG disclosure similarly identifies emissions calculation, data management and reporting as important skills gaps for SMEs.⁴³

SMEs also need **skills to assess and adopt technologies**. The study identified continuing gaps in data literacy and technology skills that can limit the adoption of decarbonization solutions. The challenge is not simply knowing that a technology exists, but understanding whether it is appropriate for the business, evaluating its costs and potential benefits, and managing its implementation.

Another important area is **navigating financing and support**. SMEs need to identify relevant grants, tax credits, financing and advisory programs and determine which options fit their operations. The Canadian program review found examples that combine skills training with energy-system management, technical advice and support for accessing additional funding. These activities require both knowledge of available programs and the ability to connect financing decisions with practical decarbonization plans.

Finally, SMEs need to **turn knowledge into operational change**. Decarbonization can affect procurement, suppliers, equipment, energy use, data collection and everyday business processes. For smaller businesses, these changes often need to be managed alongside existing responsibilities rather

than by dedicated sustainability teams. Skills development therefore needs to be practical and connected to the decisions SMEs make in their day-to-day operations.^{44, 45}

Green skills and competencies

The **Green Skills Competency Framework** provides a useful way to organize these different needs. It identifies three broad levels: foundational skills and basic green literacy, transformational skills, and deep green skills.⁴⁶ The framework describes a progression from understanding environmental issues, to applying that knowledge within an SME, to developing advanced expertise that can contribute to sector-level innovation.

Foundational skills and basic green literacy provide the environmental knowledge needed across an organization. They include understanding climate change, net-zero concepts, relevant environmental policies and the implications of the green transition for the business.⁴⁷ These competencies help owners and employees understand why environmental changes matter and identify where their own organization may need to respond.

Transformational skills support the application of that knowledge to SME operations and strategy. They include assessing opportunities and challenges, understanding sustainable value chains, establishing systems for environmental data, conducting carbon footprint accounting and scenario analysis, assessing financial impacts and developing longer-term green strategies.⁴⁸ These skills are particularly important because they connect environmental knowledge with decisions about how the business actually operates.

Deep green skills involve more advanced and specialized technical expertise. The framework describes these as higher-level competencies that can support sector transformation through areas such as green technologies, infrastructure and other specialized technical fields. These skills are more likely to be sector-specific. Not every SME needs to develop deep green expertise internally; the framework notes that foundational and transformational competencies apply more broadly across SMEs, while advanced competencies may be relevant only in particular sectors.⁴⁹

The framework therefore reinforces an important point from the study: SME adaptability does not depend only on access to highly specialized technical expertise. **Basic environmental understanding, the ability to apply that knowledge within business operations, and access to deeper technical expertise where required all contribute to an SME's capacity to respond to decarbonization.**

Skills need differ across SMEs

The skills SMEs need will vary with their size, sector, ownership and location. A single training approach is therefore unlikely to work equally well for all businesses.

Business size matters. The evidence shows that adoption of clean technologies and more formal decarbonization activities generally increases with business size.^{50, 51} Very small firms often have fewer

employees and less specialized capacity, so owners and employees may need broad, practical competencies that can be applied alongside their existing responsibilities. Larger SMEs are more likely to have the capacity to develop specialized expertise in areas such as emissions measurement, reporting and technology implementation.

Sector also shapes skills needs. The findings show different patterns of decarbonization across sectors in Canada and the UK.^{52, 53} The mix of skills required will therefore depend partly on the technologies, energy systems, supply chains and environmental requirements relevant to each industry. The Green Skills Competency Framework also recognizes this distinction: foundational and transformational skills have broad application across SMEs, while deeper technical competencies can be sector-specific.⁵⁴

There is also an **equity dimension**. Equity-deserving SMEs are concentrated differently across sectors and business sizes and may face different levels of access to capital, expertise, networks and support. The original study therefore recommends expanding access to technical skills education—including carbon accounting, emissions reporting and green technologies—for equity-deserving SME owners. Training needs to be accessible and connected to the practical conditions in which these businesses operate rather than treating skills gaps in isolation.

Location creates another layer of difference. Rural SMEs may face skilled-labour shortages and weaker access to specialized expertise and capital even when they are actively pursuing environmental improvements.^{55, 56, 57} In remote and northern communities, the study also identified programs that combine skills development with energy-system management and support for navigating funding. This suggests that location affects not only which skills are needed but also how businesses can access them.

The implication is that green skills development should combine a common foundation of environmental knowledge with training that reflects the **sector, size, location and capacity of individual SMEs**.

Connecting skills development to SME support

Skills development alone will not remove the barriers SMEs face in decarbonization. The study consistently points to the interaction between skills, financing, organizational capacity and access to technical support. For equity-deserving SMEs in particular, technical skills training is more likely to support implementation when it is accompanied by context-specific funding and other practical supports.⁵⁸

The Canadian program review provides examples of this approach. Some programs combine training with technical assessments, business advice, emissions accounting or help accessing additional funding. This allows SMEs to develop knowledge while also receiving support to apply it in practice.

Training also needs to be accessible to people already operating and working in SMEs. Research on ESG disclosure highlights the value of flexible training approaches, including micro-credentials and workplace-integrated learning, as well as wraparound supports that can reduce barriers to

participation.⁵⁹ Business associations, regional networks and community organizations can complement these approaches by helping SMEs identify relevant programs, connect with technical expertise and learn from peers.

For skills development to strengthen SME adaptability, it therefore needs to be connected to the broader business support environment. This creates the basis for the policy and program priorities discussed in the next section.

The Way Forward

The findings point to several priorities for improving SME participation in decarbonization.

Improve disaggregated data. Canada and the UK need better data linking decarbonization activity with business size, ownership, workforce characteristics, sector and location. Without this information, it is difficult to identify where barriers are greatest, whether equity-deserving SMEs are accessing support and which interventions are working.

Target support to different SME contexts. Programs should reflect differences in sector, size, ownership and location. A small service business may need different support from a rural manufacturer or a business operating in a remote community. More targeted approaches can help ensure that financing, technical assistance and skills development match the realities of different businesses.

Expand practical green skills development. Training should include foundational environmental knowledge as well as applied capabilities such as carbon accounting, emissions reporting and assessing green technologies.⁶⁰ Access to this training is particularly important for smaller and equity-deserving SMEs with limited internal expertise.

Connect skills with financing and technical support. Training is unlikely to lead to implementation if businesses cannot afford new technologies, access technical expertise or navigate available programs. Skills initiatives should therefore be linked with financing, advisory services and practical implementation support.

Make support easier to navigate. SMEs often face a fragmented landscape of programs, funding sources and technical requirements. Governments, business associations, community organizations and regional networks can help businesses identify relevant support and connect with appropriate expertise.

Work with SME and community networks. Co-designing programs with SME associations, regional business networks, Indigenous organizations and community partners can help ensure that support reflects local needs and reaches businesses that may otherwise be missed. Regular evaluation can also help identify which approaches are most effective.

Progress on SME decarbonization will depend on more than access to technology. SMEs need the skills, financing, technical support and networks required to put environmental goals into practice. Effective support also needs to account for differences in ownership, business size, sector and location.

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