



Climate Policy Advocacy

Introduction

SMEs are uniquely positioned to influence and benefit from well-designed climate and environmental policies. When developed with SME feedback in mind, policies can:

- Help you save money – through energy efficiency schemes and renewable energy incentives, while achieving your climate objectives and contributing to tackling climate change globally
- Unlock government support – like subsidies or access to low-interest SME finance
- Protect against risks – from extreme weather or supply chain disruptions

SMEs voices matter to policymakers. SMEs make up 90% of businesses globally and contribute to over 50% of the global GDP. Your progress in reducing emissions is a major driver of the implementation and delivery of national climate goals and collectively with other SMEs, you can make a significant impact. But today, policymakers often cite concerns about legislation having negative impacts on small businesses as a reason to delay or weaken climate policy.

SMEs have real power to change the narrative and demonstrate that, when SMEs have a seat at the table, climate policy can support SMEs in taking action more quickly, easily, and affordably – and can provide real tangible benefits to your business. For instance, policies that support against flooding or make buildings more resilient to increasingly extreme heat can help SMEs reduce downtime, protect assets, and recover faster from disruptive weather events.

By engaging in policy discussions, SMEs can help shape fair and practical rules that reward innovation, competitiveness, and community benefit. You don't need a big lobbying team to make an impact: local engagement, coalition building, and making your voice heard can go a long way.

Use this guide to identify which climate policy can help your business thrive and take simple, strategic steps to join with others and make your perspective heard by policymakers.

Key Actions

1. Find your focus

- **Identify how climate change affects your business** (e.g., extreme weather, rising energy prices, supply chain disruption, demands from larger corporate customers).

- With these impacts in mind, select one **climate or environmental related issue** that directly affects your business or bottom line. Examples can include:
 - Insufficient financial incentives to adopt energy saving measures;
 - A lack of influence on building related emissions and accessing data due to landlord rights;
 - Inability to connect your business to a renewable energy source.
- **Draw inspiration from others** such as businesses in your community, trade associations and your customers.
- Articulate **how a change in policy** (i.e., making certain benefits easier or more streamlined to access) **would benefit your business** financially and help you handle future challenges.
- Ideally you should also **connect the benefit to your business to a broader community benefit** (e.g., lower costs, cleaner air, healthier workers). Policymakers respond well when business and community gains are connected.

2. Identify your allies

- Now that you've identified your priority climate issue, **find others who share this concern**. For instance, you may want to collaborate with **suppliers, customers, or co-tenants** who would also benefit from the policy you support.
- A great place to start is your **regional or sector-specific trade association or business networks**, such as a local business organization or Chamber of Commerce. Ask them what climate policies they support and where they stand on the issue you've identified. Assess whether these groups' views reflect yours.
 - If yes, look for opportunities to get involved in their advocacy efforts and engage policymakers directly.
 - If not, engage them on why this issue matters to you or consider aligning with alternative networks (e.g. local green business councils or sector-specific groups) that better represent your position.
- Form or join an **informal group/coalition with local businesses or participate in opportunities through the SME Climate Hub** to come up with advocacy ideas or actions.

3. Make your voice heard

- **Prepare two or three key messages** that connect your specific climate issue to tangible business and community benefits, so you're ready to explain your stance clearly when the opportunities present themselves. Providing examples of similar small businesses that have benefited from a policy change are also useful to have on hand.
- **Join a local council or town meeting** to understand local debates on the issue you've identified. And ask to share your perspective when relevant.
- Contribute to **key public engagement moments**, such as policy consultations, hearings, or elections.
- **Sign group letters** advocating for specific policies, including letters coordinated by the SME Climate Hub or other trusted business networks, to amplify your voice alongside other SMEs.
- Use your **website, newsletters, and social platforms** to promote your policy asks within your community.

4. Transparency builds trust

Letting others know what you're doing not only builds credibility, it inspires others such as buyers, customers and policymakers.

- **Tell your community what you're doing:**
 - **Add a climate section** to your website, where you articulate the climate issue you're focused on and why it matters to your business and community.
 - **Post updates on social media** about town halls you attend, campaigns you support, or letters you sign. Try using visuals or video to boost your engagement.
 - Consider including your advocacy stance in **annual sustainability or impact reports**.
 - If you're part of a **coalition, trade association or business network**, share your actions there to encourage momentum.
 - **Highlight which initiatives or platforms you're part of**, such as the SME Climate Hub, to show alignment with credible efforts.
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Additional Considerations

If taking policy advocacy still feels out of reach, there are a number of factors that may make it more attainable.

Know you can make a difference

Many SMEs feel that their voices are too small to make a real impact, but policymakers often reference SMEs as a reason not to enact climate policy – you have the power to shift that perception. There are many examples of SMEs successfully making their pro-climate policy perspective heard among policymakers. Here's one:

- **The action:** Over 100 small businesses signed an advocacy letter, organized by the SME Climate Hub, urging governments at COP28 to phase out fossil fuels, alongside bigger corporations.
- **The impact:** This advocacy push from businesses, both big and small, helped secure a critical global policy outcome that created consensus around phasing out fossil fuels.
- **Key takeaway:** International agreements may seem distant from your local business, but by coming together with larger companies, collective SME voices contributed to this important policy shift.

Keeping costs in check

Climate advocacy for SMEs doesn't need a large budget. Many impactful actions are low-cost or free.

- **Time investment:** Often just a few hours per quarter (e.g. attending a local Chamber of Commerce meeting).

- **Monetary cost:** Minimal, unless you choose to travel or create materials. Most advocacy involves time, not fees.
- **Shared efforts:** Team up with like-minded businesses to share any potential costs and amplify your voice.
- **Digital tools:** Social media and email can be used for free to engage your audience.

Harness your employees' areas of interest

Engaging employees on climate advocacy builds buy-in, helps secure the resources needed to advance this work, and uncovers opportunities you might otherwise overlook.

- **Invite input** from staff on climate priorities or challenges they care about, using quick polls or informal chats.
- **Designate a passionate employee** who has expressed interest in environmental issues to spearhead your advocacy efforts.
- Encourage employees to attend local events or webinars and **bring ideas back** to the business.
- **Celebrate involvement**, like acknowledging advocacy contributions in team meetings or internal newsletters.