

Advancing ESG Adoption and Reporting for Women-Owned MSMEs in APEC Economies

APEC Policy Partnership on Women and the Economy

July 2026



**Asia-Pacific
Economic Cooperation**



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July 2026

APEC Project: PPWE 101 2024A

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APEC#226-PP-01.6

Acknowledgement

The authors gratefully acknowledge the guidance and support of the APEC Policy Partnership on Women and the Economy (PPWE) and the Ministry of Women, Family and Community Development (KPWKM), Malaysia in facilitating this project. We also extend our appreciation to all speakers and participants of the APEC Workshop on Advancing Sustainability Adoption and Reporting for Women-Owned MSMEs for their valuable contributions, insights, and active engagement, which greatly enriched the outcomes of this policy brief.

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1. Executive Summary

Women-owned micro, small, and medium enterprises (MSMEs) are a cornerstone of inclusive economic growth across Asia-Pacific Economic Cooperation (APEC) economies. They contributed significantly to employment generation, community development, and economic resilience. Despite their importance, women-owned MSMEs face persistent structural and operational challenges that limit their ability to integrate Environmental, Social, and Governance (ESG) practices into their business models.

Insights from the APEC Workshop on Sustainability Practices and Reporting for Women-Owned MSMEs highlighted that ESG adoption was increasingly recognized not merely as a compliance requirement, but as a strategic enabler of long-term competitiveness, risk management, and business survivability. Across different sessions and case studies discussions, it became evident that women-owned MSMEs were inherently aligned with ESG values, particularly in areas such as social inclusion, community engagement, and ethical governance. Nevertheless, barriers such as limited access to finance, lack of technical expertise, fragmented policy frameworks, and insufficient capacity-building support continued to hinder widespread adoption.

This policy brief synthesizes the key findings, best practices, and lessons learned from the workshop, drawing on both pre- and post-workshop surveys conducted to assess participants' knowledge, perceptions, and readiness to adopt and report ESG practices. It translates these insights into actionable policy recommendations tailored for APEC economies. The findings emphasized the need for simplified ESG frameworks, inclusive financing mechanisms, targeted capacity-building initiatives, and stronger public-private collaboration. By addressing these gaps, APEC economies could unlock the full potential of women-owned MSMEs as drivers of sustainable, inclusive, and resilient growth in the region.

2. Context and Rationale

MSMEs formed the backbone of most APEC economies, contributing substantially to GDP, employment, and innovation. In many economies within the region, MSMEs accounted for over 60 percent of economic output and up to 97 percent of total employment, with a significant proportion of these enterprises being led or owned by women. Despite their economic significance, women-owned MSMEs often remain concentrated in lower-value sectors and face systemic challenges that constrained their growth and competitiveness.

At the same time, the global economic landscape was undergoing a structural transformation driven by sustainability imperatives. ESG considerations were increasingly embedded in international trade, investment decisions, and regulatory frameworks. Major economies were moving toward mandatory ESG disclosures, and global supply chains were placing growing pressure on

suppliers—including MSMEs—to demonstrate compliance with sustainability standards. For APEC economies, this shift presents both a challenge and an opportunity. While MSMEs risk exclusion from global markets if they failed to meet ESG expectations, those that successfully integrated ESG practices could gain access to new markets, improve operational efficiency, and strengthen their resilience to economic and environmental shocks.

In response to these emerging challenges, the APEC Workshop on Sustainability Adoption and Reporting for Women-Owned MSMEs in Malaysia, jointly organised by the APEC Policy Partnership on Women and the Economy (PPWE) in collaboration with the Ministry of Women, Family and Community Development Malaysia (KPWKM) and Universiti Malaya, was conducted on 11–12 November 2025 to bridge the gap between ESG awareness and practical implementation. The workshop brought together participants and speakers from APEC economies, including Australia; China; Indonesia; Malaysia; Papua New Guinea; the Philippines and Thailand, facilitating cross-economy dialogue and the sharing of diverse experiences. The workshop provided a platform for knowledge exchange, peer learning and practical engagement, with a focus on translating global ESG frameworks into actionable and accessible practices for women-owned MSMEs.

To systematically gauge the effectiveness of the workshop and better understand the needs of participants, pre- and post-workshop surveys were conducted to evaluate changes in ESG knowledge, perceptions, and readiness for adoption. This approach enabled the identification of key gaps, learning outcomes, and persistent barriers, ensuring that the insights generated were evidence-based and directly inform policy recommendations.

Within this context, women-owned MSMEs were uniquely positioned to lead the transition toward sustainable business practices. Evidence from the workshop indicates that women-owned enterprises often prioritised long-term value creation, social responsibility, and ethical governance. However, without targeted policy support and enabling ecosystems, these inherent strengths could not be fully leveraged. Therefore, there was an urgent need for APEC economies to adopt coordinated and inclusive strategies that supported ESG adoption among women-owned MSMEs, ensuring that sustainability transitions were both equitable and economically beneficial.

3. Survey Results

3.1 Pre-Workshop Survey

Before the two-day workshop commenced, participants completed a survey to establish a baseline understanding of their familiarity with ESG concepts, their confidence in applying them, and the barriers they anticipated in doing so. The survey captured responses from 37 participants drawn from 7 APEC economies, predominantly from the private sector (58.14%), with smaller representation from the public sector, academia, and civil society (13.95%).

The findings revealed that while most participants reported at least some familiarity with ESG concepts, deeper comprehension remained limited. While the majority (59.5%) described themselves as somewhat familiar with ESG concepts, only 10.8% identified as familiar and 13.5% as very familiar. A similar pattern emerged around confidence. Nearly half of the respondents reported low to no confidence in explaining ESG's importance to MSMEs or stakeholders, with 32.43% stating they were not confident at all. These figures suggested that awareness alone had not translated into the practical capacity needed for meaningful ESG adoption.

Understanding of ESG's specific relevance to women-owned MSMEs was similarly limited. Over 43% of participants reported either no understanding or only a slight understanding of how ESG principles applied to their enterprises. Only 2.7% felt extremely knowledgeable, and a further 13.5% rated themselves as very knowledgeable. Additionally, nearly half (48.65%) of participants reported that their organisations already had ESG-related initiatives, and a further 37.84% were in the planning stages.

Key challenges identified by participants centred on limited awareness or knowledge (79.1%), limited technical capacity (69.8%), and lack of finance (58.1%). Weak governmental policy support was also flagged by over half of respondents (51.2%). Together, these findings painted a picture of organisations that were willing but under-resourced. Despite these limitations, participants entered the workshop with strong intention. A large majority (67.57%) stated they would implement ESG practices if provided with adequate training, and 72.97% believed workshops would definitively help them build that capacity. Their expectations were focused on gaining conceptual grounding in ESG, learning practical application, and understanding available government and financial incentives.

Overall, these findings underscored the rationale for the workshop, which was designed to address knowledge deficits and practical capacity constraints that hindered ESG adoption and reporting among women-owned MSMEs in the region.

3.2 Post-Workshop Survey

Following the two-day workshop, participants completed a post-survey to assess changes in their ESG knowledge, confidence, and intention to adopt. The overall findings pointed to substantial improvements across all dimensions measured, reflecting the workshop's effectiveness as a capacity-building intervention.

Familiarity with ESG concepts improved significantly. After the workshop, 56% of participants reported being familiar or very familiar (31%) with ESG concepts (Table 1). This was a significant shift from the pre-workshop baseline, where the majority had reported only surface-level familiarity (Table 1). Additionally, participants demonstrated strong confidence in explaining ESG concepts to stakeholders. A combined 91% of participants reported being confident (72%) or very confident (19%). This is a particularly notable

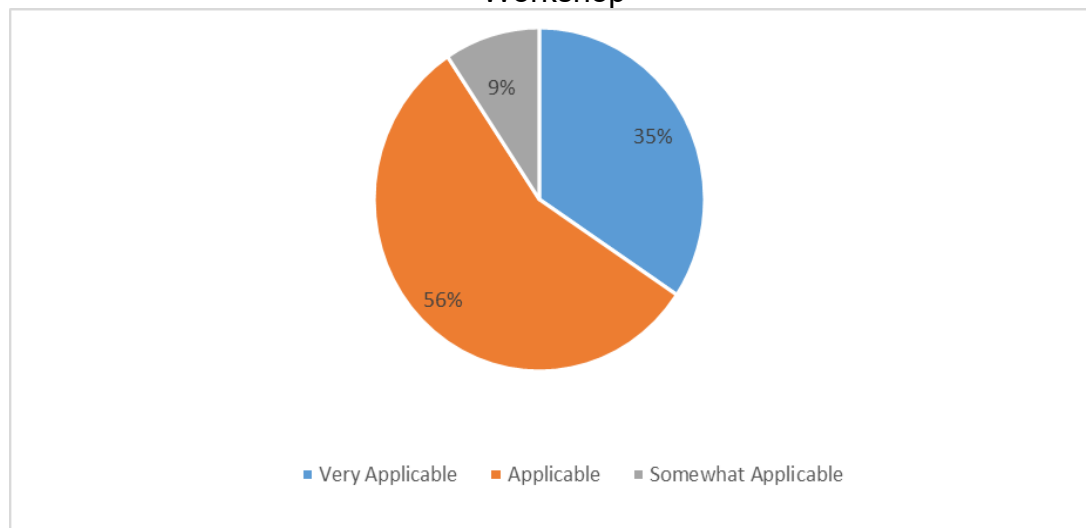
outcome given that nearly half of respondents had entered the workshop with low confidence in this area.

Table 1 Participants’ Familiarity with ESG Concepts After the Workshop

| Familiarity Level | Frequency | Percentage |
|-------------------|-----------|------------|
| Very Familiar | 10 | 31% |
| Familiar | 18 | 56% |
| Somewhat Familiar | 4 | 13% |

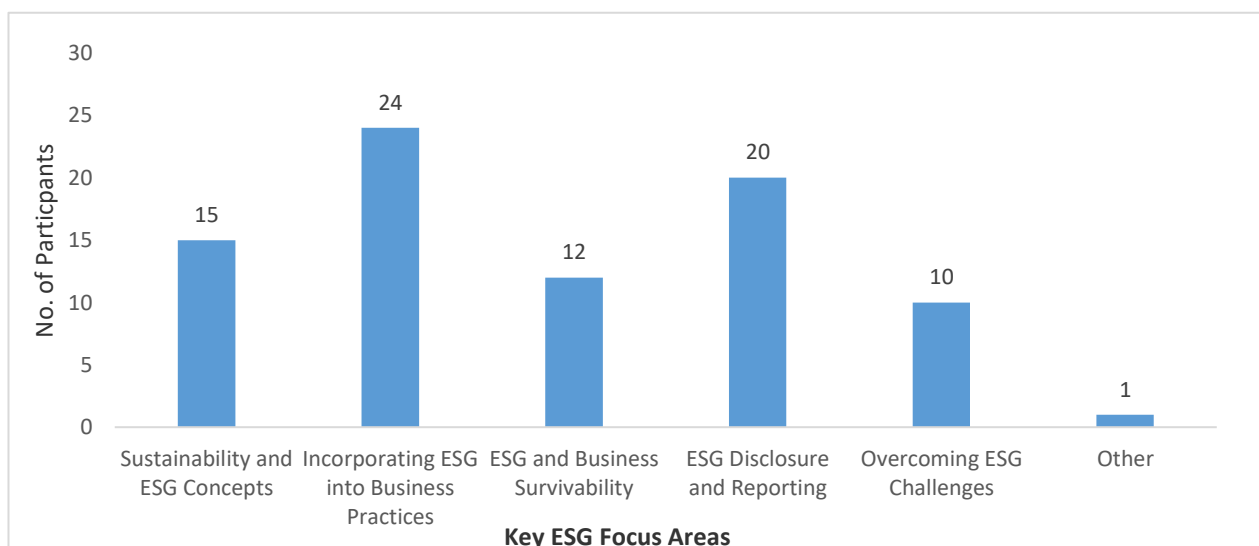
The practical relevance of the workshop was also evident. The majority of participants found the knowledge gained to be applicable (56%) or very applicable (34%) to their own work or institutions (Figure 1). Expert-led sessions, case studies, and peer exchange were highlighted as effective in helping participants connect ESG concepts to their day-to-day operations.

Figure 1: Applicability of Knowledge Gained from the Workshop



On implementation, the results were equally encouraging. Approximately half of the participants had already implemented at least one ESG practice, while the other half expressed clear intent to do so. Specific commitments included improvements in waste management, adoption of circular economy practices, enhancement of employee welfare, and the introduction of ESG-related training and reporting mechanisms. The priority topics participants identified for their institutions centred on incorporating ESG into business practices, ESG disclosure and reporting, and overcoming implementation challenges (Figure 2). These findings indicated that participants were able to translate knowledge gained into concrete actions.

Figure 2 Priority ESG Topics Selected by Participants



The qualitative feedback obtained further reinforced these outcomes (Table 2). Participants reported that the workshop significantly strengthened their foundational understanding of ESG principles. Many reported that prior to the workshop, their knowledge was limited, but they were now able to conceptualize ESG practices and develop simple frameworks for application. Furthermore, the workshop provided participants with practical tools and reporting methods to apply ESG principles effectively. Several participants emphasized the usefulness of templates and simple reporting methods, noting that these helped organize information and facilitated clearer communication. The workshop also encouraged participants to adopt concrete environmental and social initiatives in their organizations.

Table 2 Key Learnings from the Workshop

| Learning Area | Summary of Participant Feedback |
|--|---|
| a. Understanding ESG Concepts and Sustainability | <ul style="list-style-type: none"> Participants developed a deeper understanding of ESG, sustainability, and disclosure principles. The workshop enhanced their awareness of social responsibility and good governance, enabling more effective integration of ESG within organizational policies. |
| b. Practical Skills in ESG Reporting | <ul style="list-style-type: none"> Participants gained hands-on experience in ESG reporting, data collection, and simplified sustainability reporting for MSMEs. They expressed increased confidence in applying ESG concepts through actionable strategies. |
| c. ESG Application to Business | <ul style="list-style-type: none"> The sessions provided practical frameworks for integrating ESG |

| | |
|---|--|
| d. Exposure to Case Studies, Best Practices and Networking | <p>practices in business operations. With case studies provided, they were motivated to implement ESG strategies and supported MSMEs in aligning with sustainability goals.</p> <ul style="list-style-type: none"> • Engagement with case studies and examples from various companies and APEC economies provided participants with insights into effective ESG practices, waste management and sustainability strategies across different organizational contexts. • Networking with peers and exposure to cross-economy perspectives inspired greater collaboration. |
| e. Strategic, Leadership Skills and Awareness of ESG Challenges | <ul style="list-style-type: none"> • The workshop strengthened participants' leadership and strategic planning skills, aligning business strategies with sustainability goals. They gained clearer awareness of ESG risks, challenges, and compliance requirements. |

A key learning theme that emerged was the recognition that many women-owned MSMEs already practiced elements of ESG without formally identifying them as such. This suggested a need for capacity-building programmes that affirmed and built on existing practices.

3.3 Comparative Analysis: Pre- and Post-Workshop Results

The comparison between the pre-survey and post-survey results demonstrated a clear and measurable transformation in participants' knowledge, confidence, and readiness to implement ESG practices. Prior to the workshop, most participants had only a basic or moderate understanding of ESG concepts, with 59.5% reporting they were only somewhat familiar and 16.2% not familiar at all, while only 24.3% considered themselves familiar or very familiar. Confidence levels were also low, with 32.43% not confident and 16.22% only slightly confident in explaining ESG to stakeholders, meaning nearly three-quarters of participants lacked confidence. In addition, understanding of ESG relevance to women-owned MSMEs remained limited, with 43.2% indicating little to no understanding. Critically, ESG reporting capabilities were particularly weak at baseline, with most participants lacking exposure to structured reporting frameworks or practical disclosure tools. Despite this, there was strong interest in ESG adoption, as 67.57% expressed willingness to implement ESG practices if provided with the right knowledge and training.

Following the workshop, the results indicated substantial improvement across all key areas. Familiarity with ESG concepts increased significantly, with 56% of participants reporting they were familiar and 31% very familiar, raising the combined high-familiarity group to 87%, compared to only 24.3% before the workshop. Confidence levels improved even more dramatically, with 72% reporting they were confident and 19% very confident, a sharp rise from just 27.03% pre-workshop. Participants also demonstrated stronger practical understanding, with 90% indicating that the knowledge gained was applicable or very applicable to their work, reflecting a shift from theoretical awareness to real-world application.

The workshop also successfully bridged the gap between intention and action. While pre-survey findings showed that 48.65% of organizations had existing ESG initiatives and 37.84% were planning to develop them, the post-survey confirmed tangible progress, with approximately half of participants already implementing at least one ESG practice and the remaining half planning concrete actions. Participants cited specific examples such as adopting ESG reporting templates, initiating carbon tracking, and improving waste management practices. This demonstrated that the workshop not only increased awareness but also enabled participants to translate knowledge into actionable strategies.

However, despite these positive trends, several critical gaps remained in the adoption of sustainability practices. While participants' knowledge and capacity have improved, implementation remains largely at a basic or incremental level, and ESG reporting was particularly underdeveloped. In particular, the lack of standardised, MSME-friendly reporting frameworks continues to hinder consistent and comparable ESG disclosures among women-owned MSMEs. Structural challenges identified in the pre-survey (such as limited technical capacity, lack of financial resources, and weak policy support) continued to persist and constrain deeper adoption. Furthermore, a small proportion of participants still exhibited moderate familiarity and confidence. The reliance on simplified tools and the continued demand for guidance indicated that technical and institutional support systems were still insufficient.

Overall, the workshop met and exceeded expectations. Prior to the event, 97.29% of participants believed the workshop would be helpful, and post-survey findings validated this, with 78% rating it as very relevant and 22% as somewhat relevant. High satisfaction was also reflected in strong feedback on content, facilitation, and practical value. The workshop was highly successful in strengthening ESG knowledge, confidence, and implementation readiness, while highlighting the need for continued ecosystem-level support to sustain and scale impact.

4. Key Findings from Workshop Discussions

The workshop discussions revealed a consistent gap between ESG awareness and practical implementation among women-owned MSMEs. While many participants demonstrated a basic understanding of ESG concepts, they expressed uncertainty about how to translate these concepts into actionable business practices. Existing ESG frameworks, such as global reporting standards, were often perceived as complex, resource-intensive, and designed primarily for large corporations, making them difficult for MSMEs to adopt.

Resource constraints emerged as a critical barrier. Many MSMEs operated with limited financial capital, small teams, and minimal technological infrastructure. These constraints made it challenging to invest in sustainability initiatives, hire specialized personnel, or develop systems for ESG data collection and reporting. As a result, ESG was often viewed as an additional burden rather than a strategic opportunity.

Access to finance was identified as another major challenge. Although various green and sustainable financing mechanisms exist, MSMEs often lacked the documentation and ESG performance data required to qualify for such funding. This created a structural constraint: enterprises were unable to build ESG capacity without financial support, yet they struggle to access such support without demonstrating ESG compliance.

Market-related challenges also played a significant role. In many domestic markets, particularly those characterized by price-sensitive consumers, there was limited willingness to pay a premium for sustainable products. This reduced the immediate commercial incentive for MSMEs to invest in ESG practices. However, this contrasts with trends in global markets, where ESG adoption was increasingly necessary for participation in global supply chains, and sustainability requirements were becoming more stringent.

A key insight from the discussions was the importance of materiality in ESG implementation. Participants emphasized that MSMEs should focus on ESG issues that were most relevant to their business operations and stakeholder expectations, rather than attempting to address all possible ESG dimensions. However, conducting materiality assessments was identified as one of the most challenging steps, particularly for enterprises with limited expertise.

Gender-specific barriers were also highlighted. Women-owned MSMEs often face additional constraints, including limited access to networks, time constraints due to caregiving responsibilities, and cultural barriers that restricted participation in training and business development opportunities. These challenges underscored the need for gender-responsive policies and support mechanisms.

5. ESG Implementation Insights and Best Practices

The workshop showcased a six key practical strategies and best practices that demonstrated how women-owned MSMEs could successfully integrate

ESG principles into their operations, even with limited resources. It was evident that many women-owned enterprises had already implemented ESG-aligned practices without formally recognising them as such. Their emphasis on social inclusion, community engagement, and ethical practices reflected an intuitive alignment with ESG principles, positioning them as natural leaders in sustainable business transformation.

5.1 Start small, scale up

One of the most widely endorsed approaches was the “start small, scale up” model. This approach encourages enterprises to begin with simple, low-cost initiatives (such as improving energy efficiency, reducing waste, and conserving water) and gradually expand their ESG efforts as they built capacity and confidence. This incremental adoption method allowed MSMEs to integrate ESG into daily operations and progressively strengthened their reporting and tracking capabilities.

5.2 Focus on measurable indicators

The use of measurable indicators was identified as critical to effective ESG implementation. Practical metrics such as energy consumption, greenhouse gas emissions, water usage, waste generation, gender representation, and employee welfare provided a foundation for monitoring progress and demonstrating impact. By focusing on a limited set of relevant indicators, women-owned MSMEs could simplify the process of ESG reporting and avoid being overwhelmed by complexity. Key insights from discussions included the importance of systems thinking, data transparency, and alignment with international sustainability standards to promote responsible production and consumption.

5.3 Phased implementation approach

Phased implementation was another key best practice. Case studies presented during the workshop showed that enterprises that adopted ESG practices incrementally were more likely to achieve sustainable outcomes. For example, businesses that initially invested in renewable energy solutions, such as solar power, were able to reduce operational costs and reinvest savings into additional sustainability initiatives. These phased approaches reduced financial and operational risks while allowing MSMEs to build internal capacity over time. It also delivered measurable benefits, including significant energy savings, reduced emissions, and lower operating costs.

5.4 Embrace circular economy practices

Circular economy practices also emerged as a powerful tool for ESG integration. By reusing materials, reducing waste, and creating value from surplus resources, women-owned MSMEs could simultaneously achieved environmental and economic benefits. Digital platforms and innovative business models that facilitated circular sourcing were highlighted as effective mechanisms for connecting supply and demand for reusable materials.

Speakers emphasised the role of data-driven circular sourcing platforms in enabling business to track metrics and transactions, demonstrating that circular practices generated measurable data that could be used to evidence sustainability performance. Participants were encouraged to view the embedding of circular practices into core business operations not as a compliance burden, but as a competitive differentiator that strengthened long-term business resilience.

5.5 Data-driven ESG

Data-driven approaches to ESG were emphasized as increasingly important. Early adoption of simple data collection systems enabled women-owned MSMEs to track performance, build credibility with stakeholders, and prepare for future regulatory requirements. In this context, data collection enabled MSMEs to make more informed decisions on which certifications and reporting frameworks were most relevant to their business needs. At the same time, participants stressed the importance of selective certification and reporting, focusing on frameworks that aligned with their business goals and market requirements rather than pursuing multiple certifications that might not add value.

5.6 Prioritise capacity building

Capacity building emerged as a critical enabler of ESG adoption among women-owned MSMEs. Participants consistently emphasised the need for practical, hands-on training that moved beyond theoretical concepts toward real-world implementation, with key areas identified including ESG literacy, data collection and reporting, sector-specific sustainability practices, and the use of digital tools. Mentorship and peer learning were also highlighted as important drivers of confidence and motivation, with participants noting that access to role models and concrete success stories could meaningfully accelerate adoption. A further need identified was the development of simplified tools and templates tailored to the resource constraints and operational realities of small businesses, enabling women-owned MSMEs to navigate the ESG implementation process in a structured and manageable way.

6. Policy Recommendations and Strategic Action Areas for APEC Economies

The workshop discussions highlighted several structural and policy gaps that continued to hinder ESG adoption among MSMEs, particularly women-owned enterprises. These included the lack of MSME-specific ESG frameworks, fragmented policies across agencies, limited coordination among key stakeholders, constrained access to finance, and insufficient incentives for early adopters. In addition, the absence of gender-responsive policy design further limited the participation and potential of women entrepreneurs. Addressing these challenges required APEC economies to move beyond high-level commitments towards a more integrated, practical, and inclusive

policy approach that aligned policy recommendations with strategic action priorities.

6.1 Simplified ESG Frameworks and Digital Tools

A fundamental priority was the development of MSME-tiered ESG frameworks tailored to the operational realities of smaller enterprises. Existing global ESG standards were often too complex and resource-intensive, creating barriers to entry. A tiered approach would allow micro enterprises to begin with basic indicators—such as energy use, waste generation, and workforce composition—while enabling small and medium enterprises to progressively adopt more structured reporting practices.

This should be complemented by the development of user-friendly digital tools and platforms that simplified ESG data collection, tracking, and reporting. Standardised templates, automated calculations, and dashboard-based systems could significantly reduce administrative burdens and improved data accuracy. At the regional level, APEC economies should work towards a harmonised ESG digital toolkit that balanced alignment with international standards and practical usability for MSMEs. Strengthening digital infrastructure in this area would be critical to enabling scalable ESG adoption and preparing MSMEs for increasingly data-driven regulatory and market requirements.

6.2 Inclusive and Gender-Responsive ESG Financing

Access to finance remained a critical constraint, particularly for women-owned MSMEs. Many enterprises faced a structural “capacity–finance gap”, where they lacked the resources to invest in ESG improvements while simultaneously being unable to access financing due to insufficient ESG credentials.

To address this, APEC economies should expand inclusive and gender-responsive financing ecosystems. This included promoting blended finance models that combined public funding, development finance, and private sector investment, as well as strengthening sustainability-linked financing mechanisms tailored to MSMEs. Policy instruments should include concessional loans, partial grants, and credit guarantee schemes specifically designed to support ESG-related investments.

In parallel, governments should introduce ESG-linked fiscal incentives, such as tax deductions for energy-efficient technologies, rebates for sustainability investments, and targeted subsidies. These measures would help reduced the cost of entry for ESG adoption and improved the financial viability of such investments, particularly for smaller and women-led enterprises.

6.3 Capacity Building and Peer Learning Ecosystems

Capacity building was essential to translate ESG awareness into practical implementation. APEC economies should prioritise structured, modular, and hands-on training programmes that equipped MSMEs with the necessary knowledge and skills in ESG fundamentals, implementation, data tracking, reporting, and financing readiness. Training should be sector-specific and designed to support incremental learning, enabling enterprises to adopt ESG practices progressively.

Peer learning and mentorship networks should be strengthened as core components of the capacity-building ecosystem. Many MSMEs benefit from experiential learning and practical guidance from other businesses. Facilitating connections between experienced ESG adopters and newer enterprises could accelerate knowledge transfer, build confidence, and support implementation through real-world tools and shared practices.

At the regional level, APEC could further strengthen this ecosystem by facilitating cross-economy collaboration, knowledge exchange platforms, and targeted initiatives supported through mechanisms such as the APEC Support Fund. Embedding capacity building within a broader ESG support ecosystem would ensure sustained adoption and long-term impact.

6.4 Market Access and ESG-Linked Trade Opportunities

Market access was a key driver of ESG adoption, as global buyers, investors, and regulators increasingly integrated ESG requirements into supply chains. APEC economies should strengthen policies that linked ESG adoption to tangible market opportunities, thereby shifting ESG from a compliance burden to a driver of competitiveness.

This could be achieved through preferential procurement policies that prioritised ESG-compliant MSMEs in public sector contracts, as well as by integrating ESG certification into export promotion programmes and supplier development initiatives. Simplified and MSME-friendly certification schemes could provide credible signals of sustainability performance, enhancing trust among buyers, investors, and supply chain partners.

In addition, economies should provide technical support and simplified guidance to help MSMEs aligned with international ESG standards, including requirements related to emissions reporting, supply chain transparency, and responsible sourcing. Strengthening these linkages would enable MSMEs to participate more effectively in regional and global value chains.

6.5 Gender-Responsive Policies and Women's Leadership

Recognising the unique challenges faced by women entrepreneurs, APEC economies should integrate gender-responsive approaches across all ESG-related policies and programmes. This included targeted financing mechanisms, tailored capacity-building initiatives, and mentorship programmes designed specifically for women-owned MSMEs. Ongoing initiatives under the APEC PPWE provided a strong foundation, with

opportunities to further expand ESG-focused programmes for women-owned MSMEs.

Leadership development and peer networks should be strengthened to enhance women's participation in decision-making and ESG-related roles. Addressing structural barriers—such as limited access to networks, time constraints, and support services—would be essential to ensuring inclusive participation.

Rather than treating gender as a standalone issue, it should be embedded across ESG frameworks and initiatives to maximise impact. Building on existing efforts under APEC platforms, there was significant potential to further expand ESG-focused initiatives that empowered women entrepreneurs as key drivers of sustainable and inclusive growth.

6.6 Collaborative Ecosystem, Circular Economy, and Business Resilience

Effective ESG adoption required strong coordination across public, private, and development stakeholders. APEC economies should promote multi-stakeholder collaboration platforms that brought together governments, financial institutions, academia, industry, and civil society to align standards, share knowledge, and improve policy coherence.

At the same time, advancing circular economy practices and sustainable value chains presented significant opportunities for MSMEs to improve resource efficiency, reduce costs, and generate new revenue streams. Policies should support circular production systems, cross-border collaboration in recycling and sustainable sourcing, and integration of MSMEs into sustainable supply chains.

Finally, ESG should be positioned as a strategic driver of business resilience and long-term competitiveness. Enterprises with strong ESG practices were better equipped to manage risks, adapt to market changes, and sustain growth over time. APEC economies should therefore integrate ESG into broader economic and development strategies, supporting MSMEs in building future-ready, resilient, and sustainable business models.

7. Conclusion

The findings from this policy brief underscored that ESG adoption among women-owned MSMEs in APEC economies was no longer optional but essential for long-term competitiveness, resilience, and market relevance. While the workshop demonstrated significant progress in improving ESG awareness, confidence, and initial implementation, it also highlighted that adoption remains at an early and fragmented stage. Many enterprises continued to face structural barriers, including limited access to finance, insufficient technical capacity, and complex, non-MSME-friendly ESG frameworks.

The practical insights revealed that a “start small, scale up” approach—supported by simple metrics, phased implementation, and circular economy practices—could effectively enable MSMEs to transition towards sustainability. However, scaling these efforts required a more enabling ecosystem. This included simplified ESG frameworks, accessible digital tools, targeted capacity-building programmes, and stronger alignment between policy, finance, and market incentives. Importantly, gender-responsive policies must be embedded across all initiatives to address the unique challenges faced by women entrepreneurs and to unlock their full potential as sustainability leaders.

Ultimately, ESG should be positioned not merely as a compliance requirement but as a strategic driver of business value, innovation, and resilience. By fostering coordinated action among governments, financial institutions, private sector actors, and development partners, APEC economies could accelerate ESG adoption among women-owned MSMEs and ensure that the transition to sustainable development was both inclusive and economically transformative.

Annex

A. List of Reading Materials and Data

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