



The Official Communiqué of the G20 Young Entrepreneurs' Summit

Signed in Nice, France on this second day of November, 2011
G20 Young Entrepreneurs' Alliance

The G20 Young Entrepreneurs' Alliance (G20 YEA) is a global network of young entrepreneurs and the organizations that support them. In conjunction with the G20 Leaders' Summit in Cannes, hosted by the French Presidency and the companion B20 Business Leaders' Summit, 400 young entrepreneurs met under the umbrella of the G20 Young Entrepreneurs' Alliance (G20 YEA) in Nice from October 31st to November 2nd.

This 2011 edition of G20 Young Entrepreneur Summit (G20 YES) has built on a dialogue begun in Stresa, Italy and continued in Toronto, Canada, and Incheon, Korea, to develop concrete proposals for the G20 Leaders who are meeting on November 3rd and 4th. These proposals aim to unleash the potential of the next generation of entrepreneurs to lead the economic and social regeneration that all G20 countries require as they emerge from the financial crisis.

The G20 YEA proposes that the G20 Governments include an "Entrepreneurs' Declaration" in the outcomes of the Cannes Summit that recognizes the vital solution that entrepreneurs bring to our economic challenges, particularly with respect to job creation and youth unemployment. The G20 YEA proposes to collaborate with the G20 governments to develop an Action Plan that we will jointly endorse at the next summit in Mexico. This Action Plan will establish and encourage the economic, social and cultural conditions necessary to support the development of entrepreneurs within and across all G20 countries.

ENTREPRENEURS: A MAJOR ENGINE OF INNOVATION, GROWTH AND JOB CREATION

The in-depth research conducted by McKinsey & Company¹ and the entrepreneurship barometer established by Ernst & Young² during the preparation of the 2011 G20 YES demonstrate that entrepreneurship is critical for innovation, growth and employment, particularly for young people. More than 1,000 entrepreneurs around the world were interviewed prior to the 2011 G20 YES. They reported that they are ready to help our countries meet their growth and employment challenges if governments are willing to work with them to address the obstacles they face. These entrepreneurs did not ask for

1 "The Power of Many : Realizing the socioeconomic potential of entrepreneurs in the 21st century" G20 YES McKinsey & Company, October 2011
http://www.mckinsey.com/locations/paris/home/g20yes_french.asp

2 "Entrepreneurs speak out : A call to action for G20 governments; The Nice Côte d'Azur 2011 Entrepreneurship barometer" Ernst & Young, October 2011
<http://www.ey.com/GL/en/Newsroom/News-releases/Entrepreneurs-call-on-G20-governments-to-recognize-role-in-job-creation>

subsidies or assistance, but rather for supportive government policies that can facilitate their development.

In the context of the current financial and economic crisis and of the specific youth employment challenge that threatens a large number of G20 countries, the need for entrepreneurs to drive economic growth, create jobs and encourage innovation has never been greater. The ability of entrepreneurs to address these challenges, however, depends upon a fertile “entrepreneur ecosystem”, adequate forms of financing at various stages of their development, and upon a culture that encourages entrepreneurship and risk taking. These supports are even more critical at this juncture, as the economic crisis may make entrepreneurs more vulnerable in accessing increasingly scarce financing, possibly compromising their chances to grow.

MOVING FORWARD – A PATH TO RESILIENT, ENTREPRENEURIAL SOCIETIES

From this research – and the clear voice of the more than 400 young entrepreneurs expressed at the 2011 YES in Nice – we call upon the G20 Leaders to endorse the following three-point plan that will place entrepreneurs at the forefront of the necessary economic, cultural and social renewal.

1. Commit to a process of dialogue and ongoing research

G20 governments should begin an immediate and ongoing dialogue with organizations that represent young entrepreneurs in their respective countries to explore issues of mutual concern and to map out a path for national and international collaboration. This collaboration should include a joint research strategy that allows both parties to better understand their national and local entrepreneurial ecosystems and the challenges facing young entrepreneurs in their respective countries.

2. Consider and implement best practices to support entrepreneurs to address the growth and job creation challenge

The G20 YEA has identified more than 200 best practices that have been successfully implemented by governments and by the private sector around the world. They provide a very strong foundation upon which entrepreneurs and governments can build to encourage and support entrepreneurship. The best practices identified and detailed in this research fall into the following three categories.

■ Ensure entrepreneurs are supported by fertile “ecosystems”

- Ensure long term stability of regulation and tax policies that affect startups and business growth;
- Bring all ecosystem stakeholders (e.g. entrepreneurs, research & development centers, incubators, consultants, large companies, education, higher education, vocational and lifelong training systems, local authorities) together to develop and implement ambitious support and growth strategies;
- Measure the impact (output and outcome) of both entrepreneurs and the policies that support them and take measures to address and improve any issues that are identified.

■ **Ensure entrepreneurs have access to financing from start-up to critical mass**

- Explore joint public and private investment vehicles that can finance each stage of entrepreneurial business growth, with appropriate incentives and guarantees offered by governments if required;
- Strengthen policies and incentives that encourage the financing of innovation, entrepreneurial business growth and cooperation between established firms and entrepreneurs;
- Urgently increase the scale and dynamic of equity markets dedicated to financing innovative and high growth companies, privately held and publicly traded, brought together in a public and private partnership.

■ **Ensure the development of a supportive entrepreneurial culture**

- Implement academic education programs that promote and teach entrepreneurship from elementary school (or equivalent) to the university level;
- Develop specific education and life-long training programs on entrepreneurship;
- Broadly promote and support entrepreneurship through mass media and entrepreneur movements.

3. An “Entrepreneurs’ Declaration”

To complement the commitment to a dialogue with entrepreneurs, conducting ongoing joint research with them and understanding the best practices already identified across the G20, we call upon the G20 Governments to include an Entrepreneurs’ Declaration in the Cannes Summit outcomes that leads to an Action Plan that G20 countries can adapt and adopt in their respective countries.

We believe this Declaration and the resultant process could be a mandate for concrete measures and policies applicable both in mature and developing economies and, as such, should be based upon five founding principles:

1. G20 governments should recognize the socioeconomic role of entrepreneurship and the importance of encouraging the next generation of entrepreneurs and their role in terms of job creation;
2. G20 governments should commit to implementing national and international policies that foster entrepreneurship and innovation;
3. These policies should leverage traditional and nontraditional forms of capital (e.g. private savings and public guarantees, including from multilateral organizations) to support entrepreneurs as they found and grow their businesses;
4. These policies should recognize the unprecedented demographic challenges we face in all our nations. Our need for generational equity reminds us that we are not inheriting our society and economy from our parents, we are borrowing it from our daughters and sons; and,
5. The proposed measures should encourage entrepreneurship within and across G20 countries without distorting the marketplace or fostering unfair competition.

The G20 YES proposes to the G20 Leaders to immediately begin the process to develop an Action Plan for this “Entrepreneurs’ Declaration” for consideration at the next G20 Leaders’ Summit in Mexico. In the interim period, each local young entrepreneur

organization can work with its government and B20 peers on the basis of the proposed framework to come up with acceptable recommendations.

The G20 YEA will coordinate this process across the countries of the G20 and with relevant multilateral institutions to ensure consistency and develop a statement of principles for the G20 Leaders to consider for implementation in Mexico. An interim progress review will be organized in March 2012 with the Sherpas of the G20 countries appointed to prepare the Mexico summit.

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Young entrepreneurs are eager to contribute to the prosperity and growth of the G20 countries and have faith that the G20 Leaders will endorse in Cannes the ideas outlined in this communiqué as a major signal of hope to developed and emerging nations and their young people for the 21st Century.