Digital Transformation in the Age of Artificial Intelligence
Empowering SMEs in the BRICS for a competitive future

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Concept Note

I. INTRODUCTION

Small and medium enterprises (SMEs) are a cornerstone of the BRICS countries' economies, contributing significantly to job creation, economic growth, and poverty reduction. According to the World Bank, SMEs represent approximately 90% of formal businesses and account for around 50% of employment worldwide[1], a pattern reflected in the BRICS nations. These enterprises are essential drivers of innovation and inclusivity, particularly by addressing socio–economic disparities both within and across regions. Furthermore, SMEs have the potential to play a pivotal role in advancing digital transformation and integrating these countries into global value chains, especially as digital tools and artificial intelligence (AI) provide new opportunities for market access, enabling SMEs to gain a competitive edge in an increasingly digital economy.

The BRICS Contact Group on Economic and Trade Issues (CGETI) has delivered important documents, such as *Final BRICS MSMEs Cooperation Framework* – agreed during South Africa's 2023 BRICS Presidency and further developed by Russia's BRICS Presidency 2024 SME review, providing a robust foundation for sustained collaboration aimed at fostering SME integration and driving digital innovation within BRICS. Additionally, the BRICS Forum on Partnership on New Industrial Revolution (PartNIR), which serves as a guiding platform for BRICS cooperation within the framework of the New Industrial Revolution, created seven working groups, including one exclusively for SMEs discussion to be structured in 2025. Finally, during the Brazilian BRICS Presidency in 2025, a permanent mechanism specially designed to MSMEs discussion will be established, the **BRICS SME Forum**, gathering MSME stakeholders from all the BRICS members.

The document *Strategy for BRICS Economic Partnership 2025* underscored the importance of collaboration in maximizing the potential of SMEs, promoting trade and integration within the BRICS bloc and into global value chains. It emphasizes the role of digital tools in enhancing participation in digital trade and improving access to global markets. The updated strategy for 2030 is amongst the Brazilian Presidency priorities in CGETI.

In the BRICS context, fostering SME internationalization and market integration is crucial. Despite their economic significance, many SMEs face challenges to access regional and global markets due to disparities in the adoption of digital technologies and regulatory constraints. Collaborative governance frameworks within BRICS, supported by initiatives such as digital marketplaces, can help to overcome these challenges. Thus, strengthening the digital capabilities of SMEs is key not only to enhance their competitiveness but also to

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[1] https://www.worldbank.org/en/topic/smefinance

position them as key contributors to sustainable and inclusive growth in the evolving global economy.

The Brazilian Presidency of the BRICS has prioritized the integration of Artificial Intelligence (AI) and digital technologies as transformative tools for SMEs within the bloc. This focus seeks to harness the potential of AI-driven solutions to address existing challenges such as limited market access, operational inefficiencies, and resource constraints. By fostering AI development, deployment and adoption, the initiative aims to enhance the productivity, competitiveness, and sustainability of SMEs. Furthermore, this agenda underscores the importance of capacity-building programs, knowledge-sharing platforms, and partnerships to support SMEs in navigating the complexities of digital transformation, ensuring their inclusion in BRICS and in global value chains.

In summary, the successful transformation of SMEs depends on the adoption of robust digital governance and cross-border cooperation. Effective governance mechanisms should prioritize harmonizing regulations, fostering an inclusive digital ecosystem, and promoting fair competition. AI-powered tools, such as e-commerce platforms and predictive analytics, can play a pivotal role in facilitating the internationalization of BRICS SMEs by expanding market access and reducing entry barriers. Additionally, to prepare the workforce for future demands, policymakers must prioritize the development of AI-based skills, ensuring that SMEs can adapt to evolving technologies. This approach can enhance SMEs performance and support sustainable growth in an increasingly interconnected global economy.

II. TARGET AUDIENCE

The webinars are tailored for a diverse range of stakeholders, including policymakers, industry leaders, technology providers, and researchers from the BRICS nations. These sessions are ideal for those seeking to understand the transformative impact of AI and digital tools in enhancing SME growth, competitiveness, and integration into regional and global markets.

III. OBJECTIVE OF THE WEBINARS

The webinars aim to empower SMEs across the BRICS nations by fostering strategic dialogue on the transformative potential of AI and digital technologies. These discussions will focus on enhancing competitiveness, driving innovation, integrating SMEs into global value chains, and unlocking new growth opportunities within the BRICS countries and beyond.

Organized around key themes, the webinar series seeks to raise awareness, facilitate knowledge exchange, and promote evidence-based discussions on digital transformation for SMEs. Additionally, these webinars will provide a forum for stakeholders to explore practical strategies for adoption of AI, examine governance frameworks that promote inclusivity, and share insights on digital skills development to support SMEs to thrive in a rapidly evolving economic landscape. The sessions will also highlight AI tools tailored for SMEs and present practical solutions for fostering growth and resilience through the adoption of digital technologies.

IV. PARTICIPATING INSTITUTIONS

ORGANIZERS
- MEMP – Ministry of Entrepreneurship, Microenterprise, and Small Business of Brazil
- SEBRAE – Brazilian Service for Support to Micro and Small Enterprises of Brazil
- CETIC.br/NIC.br – The Regional Center for Studies on the Development of the Information Society at the Brazilian Network Information Center

PARTNERS
- MCTI – Ministry of Science, Technology, and Innovation of Brazil
- MRE – Ministry of Foreign Affairs of Brazil
- MDIC – Ministry of Development, Industry, Trade, and Services of Brazil
- UNIDO – United Nations Industrial Development Organization
- UNCTAD – United Nations Conference on Trade and Development

V. DATES AND TIMES
- **First webinar:** March 13, 2025, from 9:00 to 11:30 AM (GMT – 3)
- **Second webinar:** April 2, 2025, from 9:00 to 12:00 PM (GMT – 3)

VI. LANGUAGE AND TRANSMISSION:

The webinar series will be held in English and Portuguese, hosted on Zoom and live streamed via NIC.br's YouTube channel.

VI. WEBINAR PROGRAMME

WEBINAR 1: AI AND DIGITAL TRANSFORMATION OF BRICS SMES
Date: March 13, 2025. 9:00 to 11:30 AM (Brasília time, GMT – 3)

- **Welcome remarks and housekeeping announcements**

- **Opening remarks**

✓ **Panel 1:** "Harnessing AI for productivity and innovation in SMEs"
This panel will discuss real-world case studies and strategies for AI adoption in BRICS SMEs, focusing on how these technologies enhance productivity, innovation, and create a competitive advantage for SMEs, while identifying the main difficulties facing them.

Speakers:
- **Valentina Rollo**, Head of research, International Trade Center (ITC)
- **Denis Verissimo**, AI & Analytics Manager, Technological Research Institute (IPT)
- **Clariça Soares**, Coordinator of Innovative Entrepreneurship, Ministry of Development, Industry and Commerce of Brazil (MDIC). Brazil.
- **Evgeny Osadchuk**, Director of the "Artificial Intelligence" department of the ANO "Digital Economy".

  o *Moderator*: **Daniella Vieira**, Head of Artificial Intelligence. Brazilian Micro and Small Business Support Service. (SEBRAE).

- **Panel 2:** "Digital skills for the future: building capacities for AI integration"
This panel will explore the critical need for upskilling and workforce development to ensure that SMEs are prepared for the digital economy. The discussion will focus on developing the digital competencies required for successful AI adoption.

Speakers:
- **Basheerhamad Shadrach,** Commonwealth Educational Media Centre for Asia Director, Commonwealth of Learning. New Delhi, India

- **Celso Camilo,** Co-founder of Artificial Intelligence Center of Excellence, Federal University of Goias (UFG), Brazil

- **Juan Ivan Lataix**, Skills Digitalization Specialist, International Labor Organization (ILO).

- **Ana Paula Nishio,** Chief of Digital Transformation and Artificial Intelligence, United Nations Industrial Development Organization (UNIDO).

- **Robert Vasiliev,** Deputy Director of the Artificial Intelligence Laboratories Association (AILA), Head and Founder of the Applied AI lab Z-union. Russia.

  o *Moderator: **Alexandre Barbosa**, Head of Center for Studies on the Development of the Information Society (Cetic.br/NIC.br)*

- **Wrap-up and closing remarks**

Webinar 2: Market Access and internationalization for BRICS SMEs

Date: April 2, 2025; 9 AM to 12:00PM (Brasília time, GMT – 3)

- **Welcome remarks and housekeeping announcements**
- **Opening remarks**
- **Panel 1: "E-Commerce and SMEs in the BRICS"**
  This panel will explore how SMEs in the BRICS countries can leverage e-commerce strategies to overcome challenges, expand their market reach, and stay competitive in the global marketplace.

  Speakers:

  - **Torbjörn Fredriksson,** Head of E-commerce and Digital Economy Branch, United Nations Conference on Trade and Development (UNCTAD)

  - **Nagwa Ebrahim El-Shenawy,** Undersecretary for Information and Decision Support, Ministry of Communications & Information Technology (MCIT), Egypt

  - **Gao Yuan,** Director of AliCloud for Latin America, Alibaba

  - **Clarissa Furtado,** Competitiveness Manager at Brazilian Trade & Investment Promotion Agency (ApexBrasil)

- **Panel 2: "Fostering digital policies and internationalization for SMEs"**
  This panel will explore the role of digital policies, governance frameworks, and AI tools in enabling SMEs to thrive both locally and internationally. The session will highlight how digital transformation, including AI, can foster inclusivity and facilitate the internationalization of SMEs within the BRICS region and beyond.

  Speakers:

  - **Quan Zhao,** Trade Policy Advisor, International Trade Center (ITC)
  - **Mathieu Loridan,** Global Trade Helpdesk, World Trade Organization (WTO)
  - **Aleksei Savrasov,** Industrial Development Officer of Digital Transformation and AI, United Nations Industrial Development Organization (UNIDO)

- **Round Table: "BRICS perspectives on SMEs digital transformation"**
  A dialogue among representatives from BRICS nations, discussing national strategies, challenges, and opportunities in fostering SME digitalization and market access.
- **Wrap-up and closing remarks**

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VII. EXPECTED OUTCOMES / PUBLICATION

Participants of these webinars will gain a deeper, more practical understanding of SME digital transformation within the BRICS context. Additionally, collaborative strategies for continued progress in the region will be identified, facilitating cooperation among BRIC countries.

Following the events, **a publication will be released** featuring a synthesis and main takeaways of the discussions from the webinar series, preceded by a conceptual article. The publication will contribute to facilitating future dialogues among engaged experts, policymakers, and practitioners in discussing key approaches to empower SMEs. Collaborative strategies for sustained progress in the region will also be outlined, emphasizing knowledge–sharing, cross–border partnerships, and coordinated policy interventions to foster a competitive and inclusive digital future for BRICS SMEs and beyond.