

CONFEDERATION OF INDIAN INDUSTRY – ACMFN – EUROPEAN UNION

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Driving MSMEs towards cleaner technologies

The Confederation of Indian Industry (CII) as a national focal point in India for Asia Cleantech MSME Financing Network (ACMFN), a 4 year, European Union funded project under Switch Asia Network conducted series of workshops to promote the concept of clean technologies in the country.

Under ACMFN cleantech is an overarching term covering the technologies and processes that improve the environmental performance for an individual unit or a cluster of units. India, one of the world's fastest growing economies, presents a lucrative opportunity for companies that offer products and services in the clean technologies industries. India is seeking to diversify and grow its energy sources and reduce carbon emissions in the context of sustained economic expansion. With the rapid growth of the Indian economy, the demand for clean technologies in the country is rising exponentially and the development of these technologies is a priority for the Indian government.

The prospects of investing in clean technology is healthy and the perfect time to invest in these technologies is now. The potential as mentioned above for the Indian industry looks promising and more

specifically the share of investment potential in the Indian MSME sector is significant.

ACMFN being a networking platform enables interaction between technology suppliers and MSMEs across the country.

Key Activities Implemented

- 2 Train the Trainer workshops – more than 30 members trained
- 5 capacity building workshops organized in Mohali, Pune, Nagpur, Hyderabad, and Vapi
- 150 + participation from MSMEs
- 10 technology service provider showcased their product
- SIDBI and SBH presented their financing schemes for MSMEs



Train the Trainers

The various stakeholders of the MSME sector participated in the ToT program to enhance their skills in promoting clean technology implementation in the sector..... *further details on pg 2.*



Working with larger OEMs supply chain

Partnering with responsible OEMs to promote cleaner production in their supply chain through adoption of clean technologies.....*further details on pg 3.*

Train the Trainers

At New Delhi and Hyderabad

As a first set of activities, CII with the support of Adelphi, initiated the identification of potential trainers for the project. In the process, CII gathered a strong list of people working very closely in the field of sustainability in MSMEs.

The first workshop was conducted in the capital city at IHC, Lodhi Road from 23 – 24 June, 2016. The second workshop was conducted at HICC, Novotel Hotel, Hyderabad, from 27 – 28 June. Both the workshops had a minimum attendance of around 15 participants each. The participants were majorly consultants along with bankers, technology suppliers, MSME and representatives from think tanks.

During workshop, the ACMFN project was introduced to the participants. The event being a 2 day workshop, several interactive tools regarding sustainable consumption and production were introduced. The entire audience was divided into 2 groups to undergo all the activities planned. Day one focused on all the tools pertaining to technical side of clean technology implementation project while on the day 2 all the tools related to finances were discussed. During the later stages, all the participants were made to work on these tools by providing an opportunity to work on real life case studies.

Some of the tools introduced during the workshop is as under:

1. Mapping of process energy consumption and identifying the intervention for clean technologies
2. Identifying the enablers and barriers of clean tech financing in India



3. Preparing the development matrix to accelerate clean tech financing in CP and CT companies

4. Role matrix – Participants have to choose their preferred role in the ACMFN project

5. Strategy formation to act on the challenges faced by each stakeholder (customer, Govt., Employees, etcetera) in implementing cleantech in MSMEs

At the closing of the event, the participation was acknowledged for their inputs and suggestions by handing over the certificates.

Confederation of Indian Industry (CII), NFP for European Union funded under Switch Asia network ACMFN project in India,



organized a focused session on promoting “Energy Efficiency Initiatives and Financing Models in SMEs” during the 15th Annual Energy Efficiency Summit 2016 at Hyderabad, India.

The session was attended by 35+ participants comprising multitude of stakeholders representing MSMEs, Industry association, Technology Suppliers, Larger Original Equipment Manufacturer and Banks.

Speaking during the session, **Mr Rajive Chawla, Chairman, I AM SME OF INDIA**, provided insights on the role of industry association in promoting clean technologies

ACMFN at Energy Efficiency Summit, 2016

for its association members. In his speech he also acknowledged the expected impact through increased networking opportunity under ACMFN project, he said, “ACMFN is a one stop shop today where every stakeholder can come, exchange ideas, find new markets and implement their technologies”. He concluded by highlighting the importance of the industry and bankers to speak in a common language to enable effective financing for clean technologies.

Mr R Dharmaji, Chief General Manager, SIDBI, briefed the audience about several initiatives by the bank in implementing cleaner technologies in the industries. He focused on the need for the industry to move towards adoption of clean



technologies and also for the industry to avail the loans under some tailored schemes of

SIDBI. List of some of the attractive initiatives by SIDBI are mentioned in the below table:

Initiatives by SIDBI

- 4E Financing scheme : ROI ~ 8.10 % to 9.15%
- Partial Risk Sharing Facility projects
- SMILE project : ROI ~ 9.15 %

Under ACMFN project networking is the primal objective and therefore the workshop provided a great opportunity for all the stakeholders to connect and share their working modalities and their best practices. Confederation of Indian Industry as a part of awareness campaigns under ACMFN project organized series of capacity building workshops at various locations across India.

Sensitizing Workshops on Clean Tech implementation and financing

At Hyderabad, Mohali, Pune, Ahmedabad, Vapi, Nagpur.....

The journey started from Hyderabad and moved to Mohali, Pune, Ahmedabad, Vapi and Nagpur. With a pan India vision, team at CII is exploring new locations for hosting capacity building workshops. The objective is to reach to every corner of the nation and spur the change.

The theme of these workshops was coherent and was tailored to promote clean technology financing in the MSMEs. The general presentations made during the workshops were by a local association member/representative on highlighting the changes and opportunities in the region, financial institution on available financing schemes, technology supplier on promoting new clean technology and CII representative discussing about the SME scenario and the project.

For most of these workshop a good participation i.e. more than 40 members was recorded.

During the workshop some of the key takeaways are as under:

- The path towards energy efficiency is not only advancement in technologies and policies but participation from all stakeholders
- Energy efficiency will play key role in achieving the targets set by the Government of India for reducing GHG emission intensity
- Stress on the need for the industry to adopt new and innovative solution for green at a faster rate
- Need to adopt energy efficiency solutions to enhance the cost competitiveness of the industry

- Showcased the best practices through case studies implemented in industries for on improving energy efficiency by technology supplier
- Ecosystem for ESCO implementation is evolving and with the collaborative efforts from all the stakeholders, the ESCOs and RESCOs will accelerate the implementation of Green Projects in India.

Working with OEMs to adopt their supply chain



GODREJ & BOYCE

TATA MOTORS

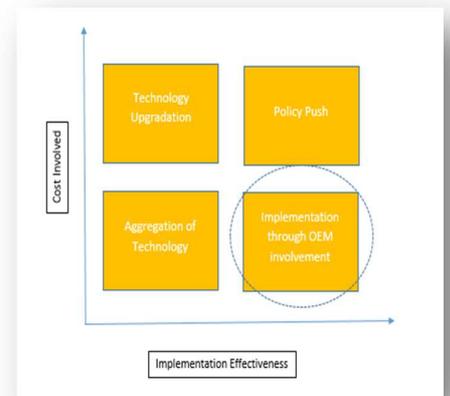
In order to accelerate true and effective solutions to promote environment sustainability in the Indian industry it is primal that all the segments of the industry are addressed.

Several initiatives have been taken at the larger organizations mostly the original equipment manufacturer as a part of their business models to attain environmental sustainability. The real sense of green business as a profit making model is well understood. But, what about the need for going beyond the fence?

All the larger OEMs have a large supply chain network with each OEM having more than 100 MSMEs vendors providing the inputs in the process value chain. Have they understood the meaning of going green?

There are several instruments of promoting the concept of sustainability in the MSMEs with most effective being by introducing a regulation or policy that mandates the smaller industries to green their business. There are some challenges in this model most important being the efforts and time required to bring out the policy and put it into effect.

As an alternative to the above mentioned model, we at CII looked at collaborating with the responsible OEMs to promote environmental sustainability in their supply



chains. This model of engagement ensures the effectiveness as good as a policy push and also is immediately implementable. The impacts of several models of implementation is as under:

Confederation of Indian Industry has been working very closely with India's two larger organizations viz. Godrej & Boyce Mfg. Ltd and TATA Motors Ltd. These two organizations have done an incredible job to not only improve their environmental performance but gone beyond the fence and are working with their supply chain. They are the true champions in practicing and preaching green business to the Indian industry.

Greening the supply chain is a win-win strategy for OEMs, supply chain network and industry overall. For any larger industry aiming to achieve environment sustainability it is imperative that they adopt and guide their supply chain towards green business.

"Certainly GREENING shall soon become necessity, for all the businesses to sustain continual rising demand of competitiveness at market place and Essential Differentiator. Or else the business will become extinct."

Mr M B Kulkarni

Former Vice President - TATA Motors

(more details at <http://bit.ly/2qns6W0>)

MSME leading from the front - M/s Shree Ashtavinayak Glass

Shree Ashtavinayak Glass (SAG), Khandala Unit in Maharashtra has a proactive corporate commitment towards achieving environmental sustainability. SAG, Khandala has established good systems, by considering Quality, Environment and Safety Management System as baseline. With this background, plant has been taking steady steps to reduce their environment footprint and has done good work in areas of Energy efficiency, Waste Management, Material Conservation related areas. Some of the laudable efforts taken by SAG are as summarized below:

- Well-formed Green Cell with defined roles and responsibilities for implementation of several projects to improve energy efficiency
- Rain water harvesting system to capture rain water from roof and reuse it for gardening
- Systematic framework for material conservation through yield improvement, tolerance optimization
- Commitment towards Greening the supply chain through Green Purchase Policy
- Awareness creation programs and training & capacity building programs, specific to waste, water and energy management are conducted for employees.



Mr Aditya Aggarwal (left) – Director SAG Pvt Ltd, leading the green initiative at SAG Pvt Ltd

SAG Private Limited, Khandala Unit has displayed itself as an advocate of environmental sustainability by getting rated through GreenCo SME Rating. The plant team has taken noteworthy step of commencing journey on sustainability and as one of the pioneers and leaders, they are shouldering the task of further 'learning – teaching – learning' to improve and excel to radiate their success to their customers and associates.

Want to Join the Cleantech Revolution?

If you are an MSME looking for:

- Detailed energy audits
- Mapping waste and water in the premise
- Require finance for clean technology implementation

Click on the below link to register into the network:

<http://goo.gl/forms/iz4y1uC6tx>

JOIN THE NETWORK AND BE A PART OF THE CLEANTECH REVOLUTION

FOR MORE INFORMATION

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