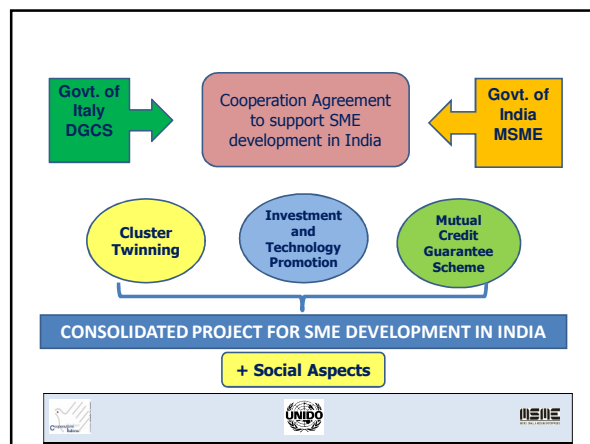


UNIDO
Consolidated Project for SME Development in India
www.unidosmeindia.org



Hemant Verma
 Cluster Development – Senior Expert
 3rd April 2012, New Delhi


Project implementation commenced - Sept 2007

Three Project Components CT ITP MCGS + SA


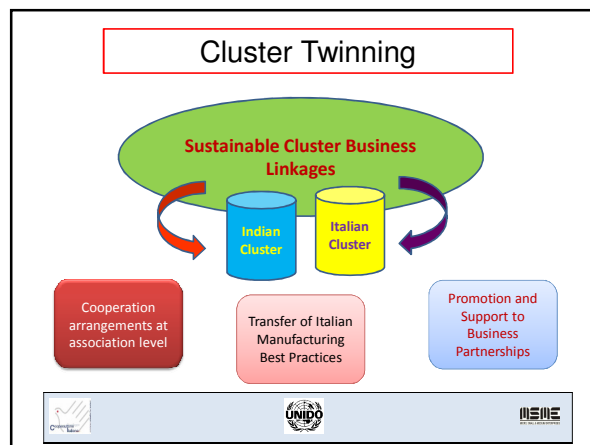
Original Duration 3 years **Extended till Dec 2012**

Fully funded by the Govt. of Italy 3.5 Million Euro

Three Manufacturing Sectors





Three Main Clusters Chennai Pune NCR (Delhi)

Cluster Twinning – India Pilot



- Footwear & Tannery Clusters **Chennai**
- Local Partners:** Indian Shoe Federation (ISF), Indian Finished Leather Manufacturers Association (IFLMEA), Central Leather Research Institute (CLRl), Central Footwear Training Institute (CFTI), Council of Leather Exports (CLE), MSME Development Institute.
- Beneficiaries:** MSMEs, Associations & Institutions

Leather Cluster, Chennai

Activities and achievements:

- Technology assessment
- Training needs assessment
- Training – Capacity building
 - Technology, Process, Equipment, Management
 - Environmental aspects & CSR
 - EMS & QMS
- Institutional support and capacity building
- MoU – Cluster agreement signed

Footwear Cluster, Chennai

Activities and achievements:

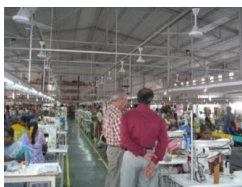
- Technology assessment
- Training – Capacity building
 - Design and Trend forecasting
 - Best practices in footwear manufacturing
 - Newer Manufacturing Technologies
 - QMS & CSR
- CAD/CAM systems
- Institutional support and capacity building
- MoU – Cluster agreement signed



ISF – Unioncamere / Confindustria Marche Cooperation Agreement



Technological assessment by Italian Expert in Footwear companies



Training program on Best Practices in Footwear Manufacturing



Training in Italy on Footwear Manufacturing



Extended training by CLRI and CFTI Footwear Manufacturing



Design and trend forecasting



IFLMEA – Assoconciatori, Italy cooperation Agreement



Technological & training need assessment in Tanneries



On-site training for tanneries



International Leather Finishing Expert Mr. Armano Canetti, in a tannery



Cleaner Technology in Tanneries



Cluster Twinning: Main achievements so far –

- Greater trust and co-operative dynamism amongst the cluster stakeholders – viz Firms, Associations, Institutions and Service providers
- Significant enhancement in the capacity of the 30-40% of the cluster firms with the adoption of a variety of best practices by the direct intervention from Italian experts, Technical Training in Italian Cluster and institutional linkages.
- Capacity enhancement of key stakeholders viz. Central Leather Research Institute (CLRI), Central Footwear Training Institute (CFTI), Indian Shoe Federation (ISF), Indian Finished Leather Manufacturers and Exporter Association (IFLMEA), resulting into their greater role & participation in the developmental initiatives and competitiveness building of the cluster firms.
- Strengthened industry associations, viz. ISF and IFLMEA with their capability up-gradation for serving their members' prime needs across multiple domains.
- Setting in a sustainability mechanism to perpetuate collaborative dynamism and ensuring wider coverage of cluster mass with the best practices.



- ✓ Impact on Employment – More effective and responsive employees
- ✓ Impact on Environment – Greater Awareness and compliance with environment.
- ✓ Socio Economic Context – Higher Socio-Economic achievements by the clusters in terms of their ability to understand and address a variety of challenges.



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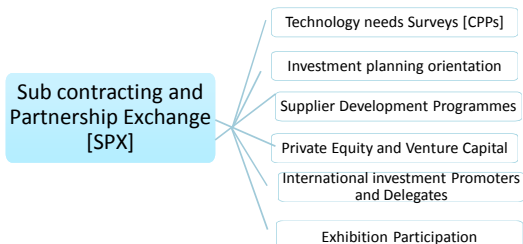
Investment & Technology Promotion (ITP)

- Strengthening industry associations' capacity to build and maintain the local and international trade and investment networks
- Helping the industry associations in networking with UNIDO's Investment & Technology Promotion (ITP) offices worldwide
- Establishment of Subcontracting and Partnership Exchanges (SPX)
- Identification and introduction of New Technologies



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ITP:Sub Contracting and Partnership Exchange (SPX)



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ITP Activities



6 Trainings Associations on SPX Database in Chennai, Pune and Delhi



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1400 companies



7 Trainings on Investment Evaluation for 43 associations Chennai & Pune



3 awareness programmes
3 training programme & 3 studies on Private Equity



Support to over 8 in coming and 4 outgoing Delegations



Supported Participation in over 12 Exhibitions in India and abroad

Supplier Development Programme (SDP)

- **Location:** Chennai
- **Target:** Tier II Companies
- **No of Companies :** 28
- **Duration :** 6 months
- **Auditors/Trainer:** National
- **Fee:** Free Programme

- **Location:** Pune
- **Target:** Tier II Companies
- **No of companies:** 9
- **Auditors/Trainer:** International
- **Fee:** Partially supported



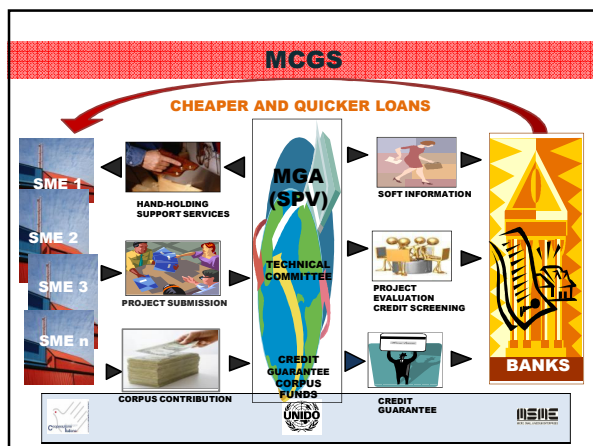
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ITP Achievements

- 1400 SMEs profiled by their Associations and uploaded into a database : www.spixindia.org
- 84 project proposals worth 249 million USD identified by the Association
- Association staff Conducted financial evaluation of over 16 investment proposals.
- 4 CFC proposals
- Over 1000 B2B meetings organized
- 12 Delegations received
- Participated in 8 Exhibitions on behalf of the clusters
- 2 short term and one long term delegation to Italy.



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MCGS - Activities & achievements

- Awareness programme** – banks/ SMEs/ Industry Associations/ Chambers of Commerce/ etc. in Tamil Nadu, Karnataka, Andhra Pradesh, Punjab, Gujarat, Maharashtra, Uttar Pradesh, etc. by UNIONFIDI and Intesa-SanPaolo Bank
- Identification of partners** – Industry Associations/ Chambers of Commerce based on response and approvals by respective Managing Committees.
- Pre-Feasibility Studies** – Conducted at
 - MCCIA, Pune;
 - Hand Tool & Forging Association, Ludhiana;
 - CODISSIA, Coimbatore;
 - KASSIA, Bangalore &
 - FKCCI, Bangalore

Activities & achievements (contd.)

- Advisory Committee and National Scheme** – Ministry of MSME, Govt. has set-up an Advisory Committee, headed by DC-MSME (comprising experts from SBI, PNB, Axis Bank, SIDBI, CGTME, IFC-World Bank, IBA and UNIDO) for finalising a National Scheme for MCGS.
- National Scheme for MCGS** – Advisory Committee is presently examining Version-II of the draft National Scheme developed by UNIDO in consultation with stakeholders.
- Tool kit for future replication** – PFS Tool and Tool Kit for implementation of MCGS at other locations.
- Other initiatives** – meetings with World Bank/ ADB/ JICA/ EIF/ SIDBI/ NSDC to solicit their partnership; etc.

Social Aspects (SA)

Aims at enabling the participating SMEs to improve their market positioning by adhering to relevant social and environmental requirements of key market players and local stakeholders.

Issues/ Areas of Intervention	[1] Environment Management (EM) Adherence to environmental standards stipulated by market players and state authorities	[2] Occupational Health & Safety	[3] Child Labour	[4] Improvement of working conditions also job-related casualties (including access to insurance schemes),	[5] Usage of Cleaner Technologies	[6] Gender related Issues / Women employee issues (including issues of work-life balance) and investment in human resources
Target outcomes: More motivated employees and greater level of staff retention through empowerment on social issues, increase of labour productivity and operational cost effectiveness, improved perception amongst the foreign buyers, including access to new market segments, where compliance with social and environmental requirements is a pre-requisite.						

Consolidated Project for SME Development in India

- end of the Project deliverables


End of Project Situation

- Strengthened cluster firms and stakeholders.
- Trained service and business promoters, a platform to facilitate the dialogue between manufacturers and buyers.
- A sustainability mechanism to support the continuous development of the MSMEs.

Other deliverables at the end of the Project

- Toolkit of Methodologies to ensure future replication.
- Digital Library: a Knowledge Bank / a repository of all the reports, studies, documents, learning under the Project.
- Dissemination programme with stakeholders so as to ensure sustainability after the end of the Project.





Thank You

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