



Introduction to GIZ

Private Sector Development India

MSME Umbrella Programme





GLZ in Brief

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

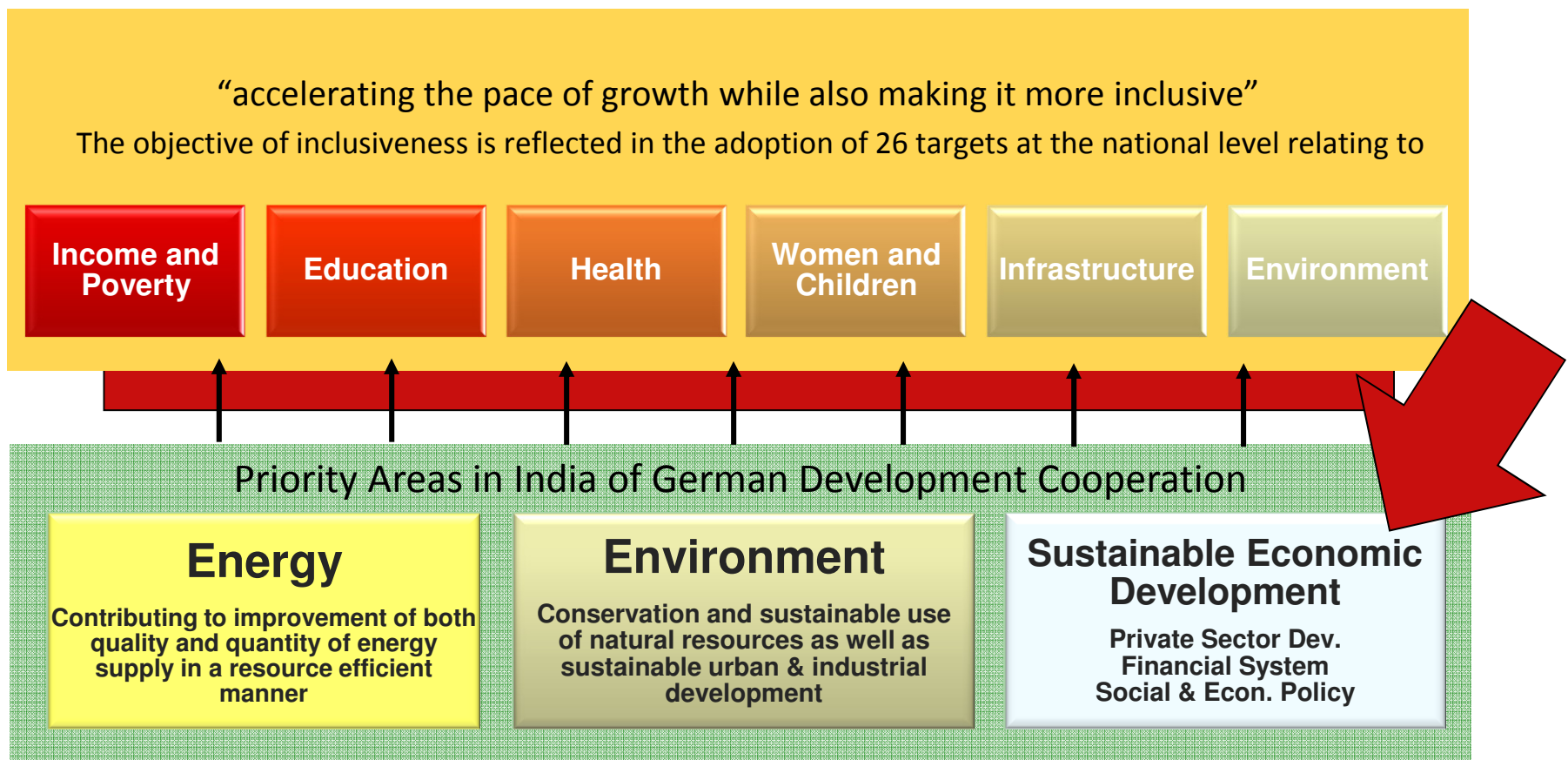
- **100% federally owned, public-benefit enterprise**, supporting the **German Government** in achieving its objectives in the field of international cooperation for sustainable development
- promoting international cooperation for **sustainable development** and **international education work**.
- > In **130 countries** worldwide; > **17,000** staff members
 - German Federal Ministry for Economic Cooperation and Development (BMZ)
- **Promoting Energy Efficiency** = a priority area of GIZ Private Sector Development





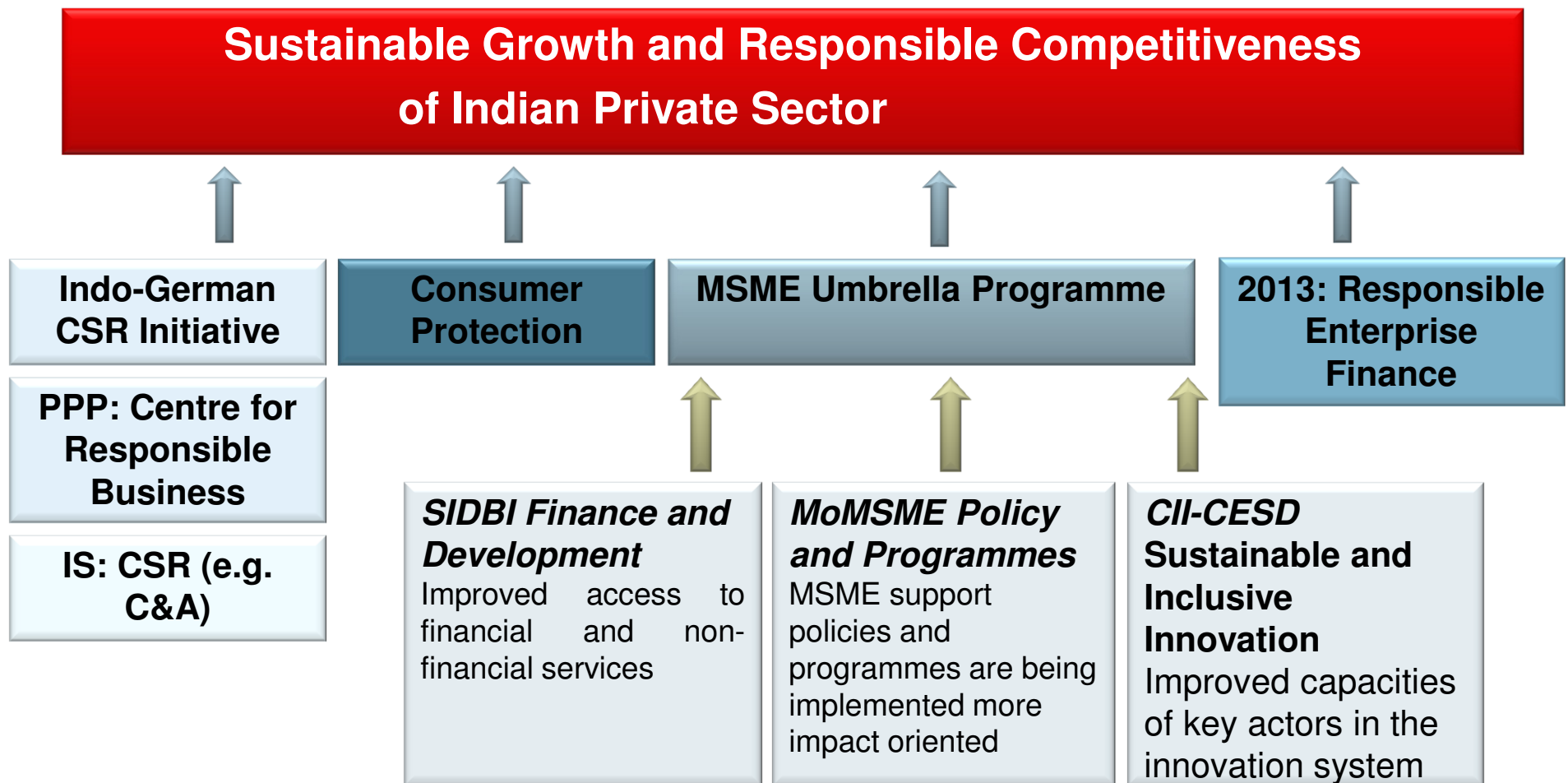
12th year plan: focus on inclusive growth

GLZ India – Outline of our work





GLZ – Promoting the Private Sector in India



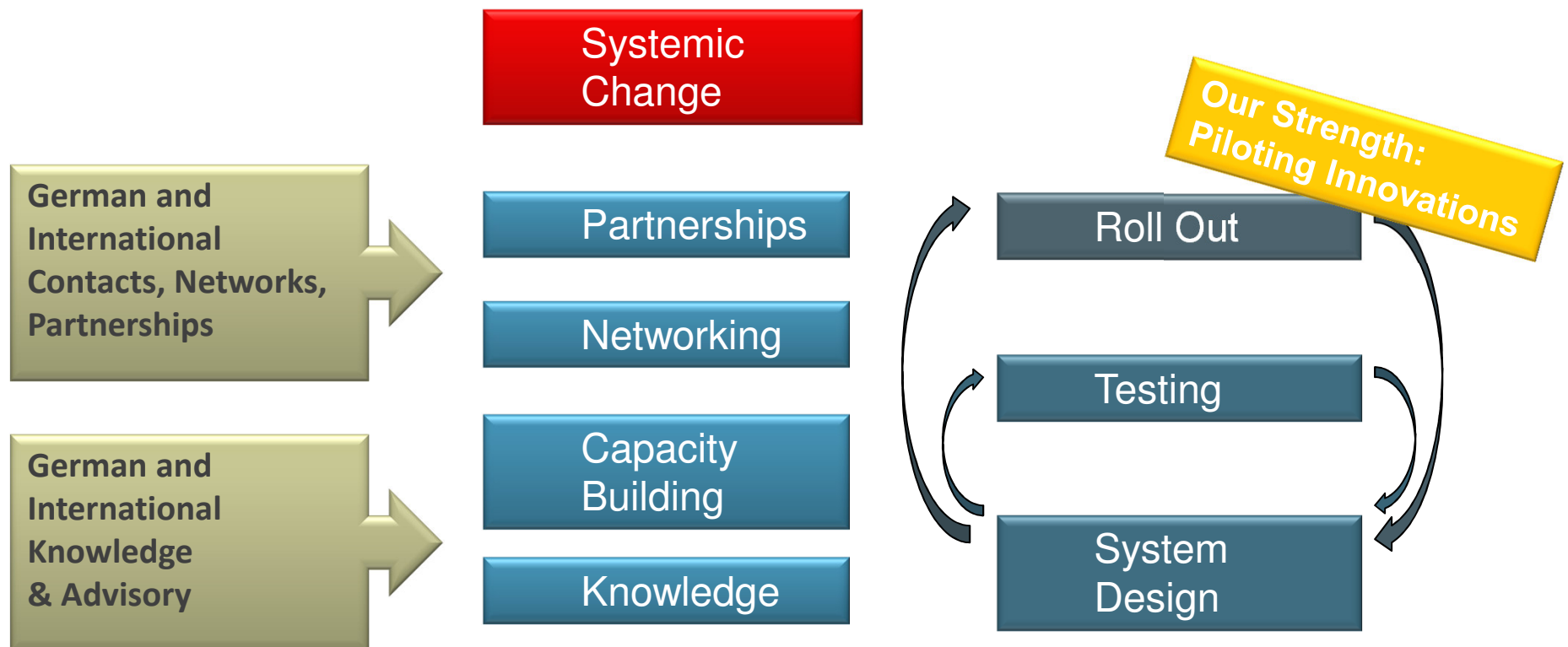


What can GLZ bring to Sameeksha?

Snapshot: Our work in the sector

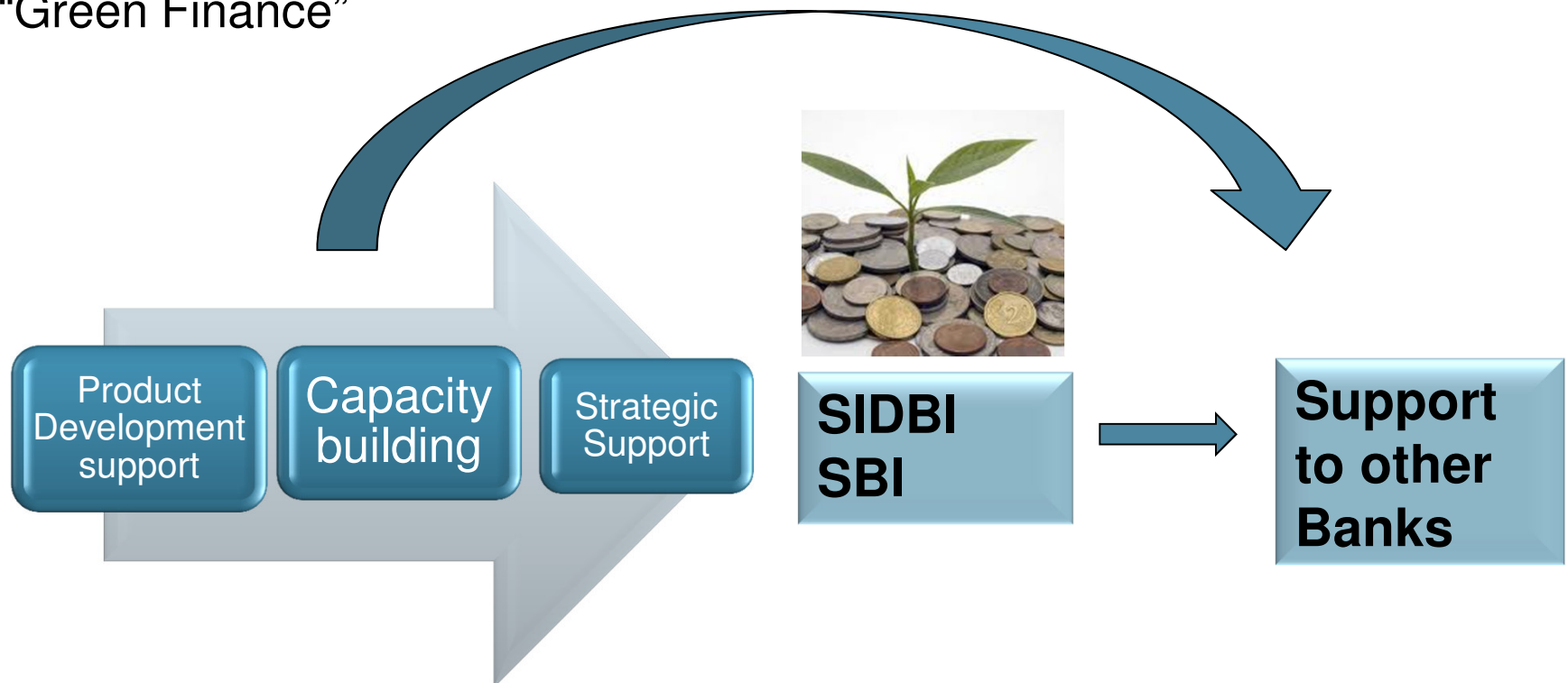
Programme Approach

*Together building knowledge-based capacities for MSME
Development*



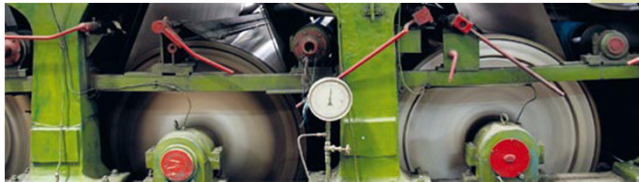
Example 1: Financing Energy Efficiency in MSME

“Green Finance”



Energy Efficiency Finance for MSME piloted with 100 MSME and to be up-scaled as a new service offering in State Bank of India's 14.000 branches

Example 1: Financing Energy Efficiency in MSME



Macro Level: Sustainable Banking, Mainstreaming Responsible Finance and Banking (e.g. ESG Reporting)

Meso Level: Strengthen Capacities of Banks/Sector Strengthen Service Providers

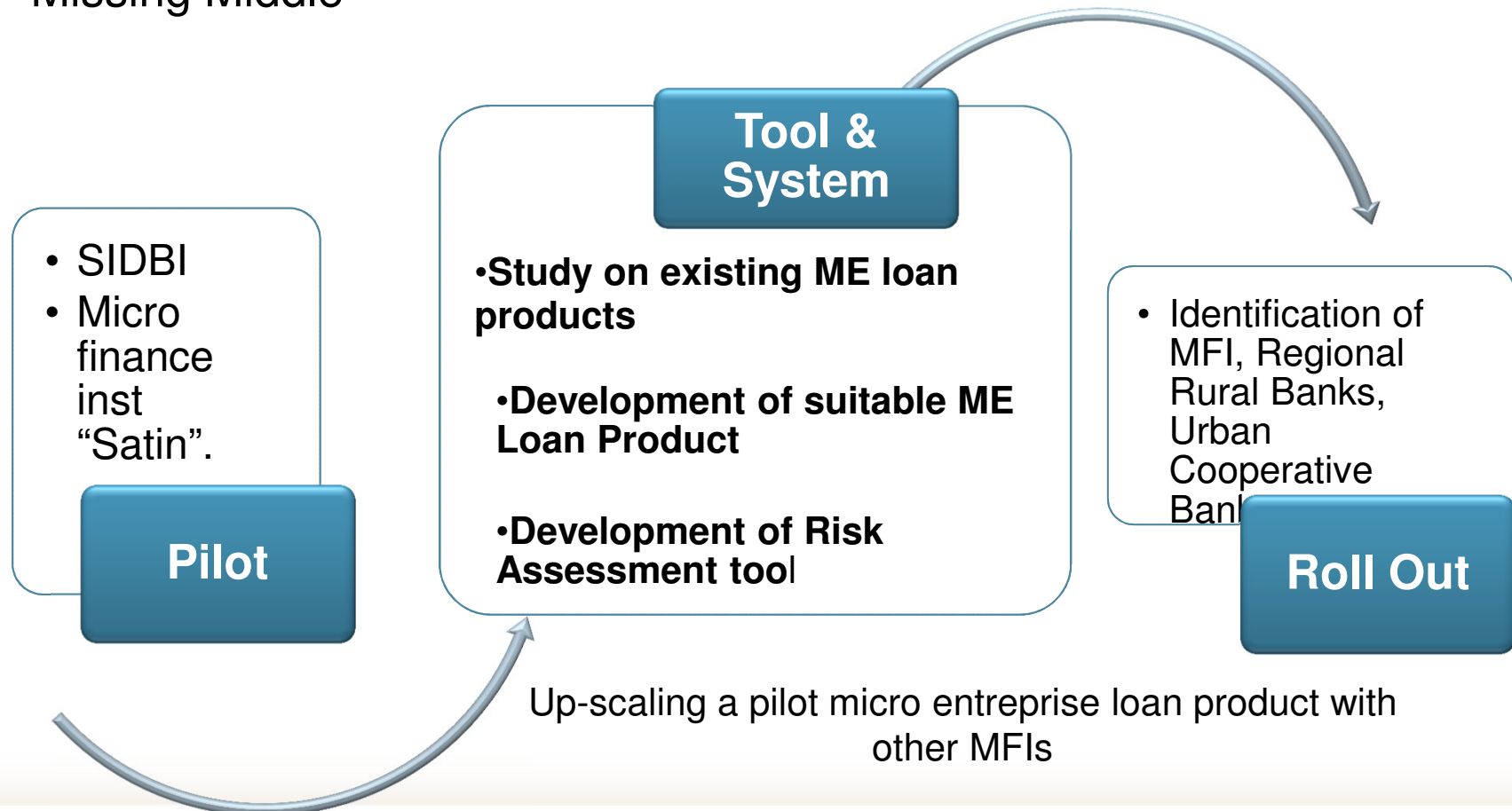
Micro Level: Loan Product Development with Frankfurt School of Finance

- Study '**Energy efficiency financing for MSME's**:
 - Analysis of best Indian and global best practices' by Frankfurt School of Finance
- **Pilot project with SBI** in light engineering clusters Ludhiana and Mandi Gobindgarh
 - Supporting SBI to develop Energy Efficiency Financing Scheme for MSMEs
- **MSME Energy Efficiency Finance Training Workshop** for Bankers (50 workshops)
- Publication of **Info Kit** on EE for bankers and MSMEs
- Pilot Project: **Energy Efficiency in MSME through Insulation**
 - Pulp and Paper Industry: **Technical Upgrade** with KAEFER
 - Linking to Finance: **Energy Efficiency Financing Workshops** for bankers in 5 clusters



Example 2: Bringing Finance to Micro Entreprises

“Missing Middle”



Example 3: Building Capacities of Associations

TRAINING TOOL & METHODOLOGY DEVELOPMENT

Training products/materials , TOT ,
Web based knowledge management
system , business models and best
practices

CAPACITY DEVELOPMENT

Training and hand holding support to 40-50
Select Associations , Intermediary
institutions ,

BMO capacity development

INTERNATIONAL KNOWLEDGE TRANSFER

Experiences of German chambers and
association systems, with regard to service
provision and promotion of responsible
business behavior, network development
with German Companies and BMOs

SYSTEM DEVELOPMENT

Rating and accreditation system for BMO ,
Resource Centre for capacity development
of BMO, Support Programmes

Example 4: MSME Support Policies & Programmes

- Redefining the role and **services of field networks** :
 - Tool Rooms (TR) and Development Institutes (DI) - strategic assessment and recommendations to strengthen the functioning
- Improving the **access and outreach of support schemes**:
 - Development MSME **national portal**
 - Development and implementation **communication strategy**
 - **Capacity Building Initiatives** (i.e. the Officers of DC-MSME and its field institutions)
 - **Analysis of MSME Schemes** w.r.t. Promotion of Sustainable Economic Development
 - **Enabling Effective Implementation** of policies, e.g. Public Procurement

Example 5: Climate Change Adaptation for MSME

- **E-Learning Tool Climate-Expert**
(www.Climate-Expert.in)
- **Workshops** ‘Facing the Impacts of Climate Change: Business and Adaptation’
 - Development of **training methodology** for Climate Change Adaptation
 - **Training of Trainers Workshop**
 - **Training of Lead Trainer**
 - **Multiplier Network**





Energy Efficiency – Way forward

Our Proposal for Sameeksha
and collaborative efforts



Energy Efficiency in MSME

Challenges

- Awareness
 - Customization/Cluster specific technology
 - Support / Handholding
 - Trust (Energy Auditors, Vendors, Consultants)
- Qualification / Quality
 - Limited feasibility
 - Lacking implementation
 - MSME clusters attractive working environment
- Organizational structure
 - Schemes

Players

MSMEs/Entrepreneurs

Bankers

Energy Auditors

BMO/Industry Assoc.

Vendors

Others:

**Engineering Colleges
Training Institutes
Utility companies
NBFCs**

**Buyers
/Supply Chain**

Suggestion

- Presentation of **successful business cases**
 - Trustworthy **third party for measurement**
 - Equipped **BMO** to support MSME
 - Cooperation with vendors
- Training **SME specific DPRs**
 - Energy Auditor's support with **implementation**
 - Energy Auditor's support while **approaching the banker**
- Training focus should be on **SME specialized branches**
 - Motivation, **Incentives**

Energy Efficiency: Collaboration is needed!

1. Making the Business Case for Energy Efficiency

- Can we document cases of EE implementation?

2. Enabling Learning from Experience

- What has happened so far in EE and MSME?
- Who did what with what impacts?
- Where are the **bottlenecks**?
 - *On the level of MSME*
 - *On the cluster level*
 - *On the level of service providers*



Thank you!

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