

Outcomes of the National Summit on Energy Efficiency in MSMEs



6th Meeting
SAMEEEKSHA Platform

Prosanto Pal, TERI
23rd January 2013, New Delhi

Outline

- The MSME sector
- Objectives and structure of the Summit
- Key insights and possible future actions

MSME sector

- Account for 45% of industrial production and 73 million jobs
- Many energy intensive sub-sectors like metallurgy, glass and ceramics, chemicals, textiles, food processing
- Inefficient resource use
- Lack of awareness and/or availability of EE technologies



National Summit on Energy Efficiency in MSMEs

- 30-31 July, 2012 in New Delhi under the aegis of SAMEEEKSHA
- Supported by SDC, Energy Efficiency Services Limited (EESL), AfD and GIZ
- 200 participants comprising
 - 40 cluster level industry associations/
 - 30 government departments/16
 - bilateral/ multilateral agencies/7
 - financial institutions/29 academic
 - institutions/consultancy firms



Objectives and structure

- Objectives
 - Seek views of 'ground level' stakeholders on strategies to promote energy efficiency
 - Identify actions required to promote energy efficiency
- Structure
 - Plenary session
 - Speakers: Secretary, Ministry of MSME; DG, BEE and Ambassador, Embassy of Switzerland
 - Launch of SAMEEEKSHA website
 - Breakaway brainstorming sessions to capture the 'voices from the ground'



- Policy
- Technology
- Finance



Key insights - Policy

- Collection of energy consumption data is needed for benchmarking and policy formulation
- Research & development (R&D) is required for new EE technologies
- Financial support for hardware (EE equipment) as well as software (technical advise) are required
- Energy Service Companies (ESCOs) need to be promoted for EE technologies



Key insights - Technology

- Technology demonstrations are important at the cluster level; 'Seeing is believing' is relevant for MSMEs
- Wide-spread dissemination of information on vendors, success stories and cost-benefit is needed
- More local service providers (LSPs) for EE technologies will accelerate replication
- LSPs have to find time to customize technologies to suit the specific process/product of the individual MSME and also help in trouble-shooting



Key insights - Financing

- Finance is secondary for adoption of EE technologies; Poor awareness and/or lack of credible LSPs for EE technologies are more important
- Bankers view EE financing as low-value loans that involve high transaction costs
- Although the sector is classified as a 'priority' concessional fast-track loans are not made available for EE investments
- Bankers lack expertise to evaluate/differentiate EE loans



Possible future actions

- Develop data collection and analysis system for energy-intensive MSME clusters
- Develop/demonstrate new EE technologies which are 'transformational'
- Strengthen institutions at the cluster/sector level to develop and/or disseminate EE technologies
- Disseminate best technologies and practices using initiatives such as SAMEEEKSHA





Thank you for your attention