



Project Example: Energy Efficiency in India

Scaling up Energy Efficient Technologies in micro, small and medium enterprises (MSMEs)



Due to the importance of climate mitigation and energy security, the Government of India strongly supports improving energy efficiency in energy intensive Micro, Small and Medium Enterprises. The EESE project continues to strengthen efforts to do this by promoting policy initiatives to increase energy efficiency in enterprises, and supporting knowledge sharing among key players in the sector.

Theme

Climate Change

The MSME sector plays a vital role in the Indian economy. There are about 15 energy intensive small industry sectors in 180 geographical areas in India. The MSME sector contributes around 45% of manufacturing output, 40% of exports, and employs more than 69 million people. Most MSMEs use fossil fuels to meet their energy needs, but this is often inefficient due to poor equipment and operating practices. This leads to both fuel wastage and the release of harmful greenhouse gases and particulates. The government's Bureau of Energy Efficiency (BEE), Ministry of Power and Ministry of Micro Small and Medium Enterprises (MoMSME) have launched a variety of initiatives to address these issues among MSMEs.

Region

India

Partners

The Energy and Resources Institute (TERI), Industry Associations, technical consultants and local service providers.

Starting point / Background information

The National Action Plan on Climate Change, India's five year plan (2012- 2017) emphasize improving energy efficiency in energy intensive small industries.

Project targets

Energy efficiency of the MSME sector is enhanced, and; overall energy consumption and greenhouse gas (GHG) emissions of the sector are reduced sustainably.

Target group

Entrepreneurs and workers, Industry Associations, Government agencies at regional (state), sub regional and national level

Costs

Current Phase: CHF 1'500'000
Previous Phases: CHF 15'500'000

Duration

Current Phase:
Previous Phases: 11/1993 - 12/2012

Contact

delhi@sdc.net

A longstanding partnership

The Swiss Agency for Development and Cooperation (SDC) was one of the first development agencies to promote the topic of energy efficiency in the MSME sector. Since the early 90s, SDC has supported The Energy & Resources Institute (TERI), to improve practices in three energy-intensive MSME sub-sectors (foundry, glass and brick) by developing, demonstrating and disseminating energy efficient technologies. Between the beginning of this project in 1993 and 2011, a total of 581'000 tons of CO₂ is estimated to have been reduced within 650 MSMEs adopting new technologies with direct project support. This is equivalent to energy savings of 169'000 tonnes of oil.

Building on a solid foundation

The EESE project aims to deepen its engagement in the foundry sector while at the same time expanding to new energy-intensive sectors like aluminum and induction furnaces. It will focus on strengthening local delivery systems and improving the technical skills of MSME entrepreneurs. At a national summit in August 2012, the knowledge sharing platform SAMEEEKSHA (Small and Medium Enterprises Energy Efficiency Knowledge Sharing) was launched in association with BEE. This will help strengthen linkages with larger programs of the government and development agencies (such as UNIDO, World Bank and JICA, who have also launched energy efficiency projects) to promote energy efficient technologies and practices among MSMEs.