

Early Warning System

ADB-54367-001

Strengthening MSME Cluster Ecosystem Through Institutional Network of Enterprise Development Centers

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Quick Facts

Countries	India
Financial Institutions	Asian Development Bank (ADB)
Status	Proposed
Bank Risk Rating	B
Borrower	Government of India
Sectors	Finance
Investment Type(s)	Advisory Services, Loan
Investment Amount (USD)	$ 251.00 million
Loan Amount (USD)	$ 250.00 million

Project Description

According to the bank website, "In India, there are an estimated 63.4 million MSMEs, contributing about 30% to the country's gross domestic product, 40% of exports and employing 111 million persons. Government of India is targeting to increase MSME output contribution to 50%, export contribution to 75% and employment to 150 million by 2024, in line with the target to make India a $5 trillion economy. The government has prioritized MSME promotion as part of NITI Aayog's Strategy for New, with particular emphasis on (i) easing credit availability; (ii) supporting firms to adopt Industry 4.0 practices, especially technological upgradation to enhance productivity; (iii) facilitating integration of MSMEs with apprenticeship schemes; and (iv) supporting MSME clusters with common facilities to reduce costs and improve quality. The government's vision for MSMEs' transformation is constrained by the fact that the MSME sector in India is dominated by informal microbusinesses who lack the scale, experience, and resources to adopt latest technologies and professional business management tools for operational efficiency, and integrate with global value chains. Also, burdensome regulatory processes and insufficient institutional support for MSMEs' statutory compliances and capacity development exacerbate the operational environment for MSMEs."

Investment Description

- Asian Development Bank (ADB)

Contact Information

ADB

Karan, Navendu (Project Officer)

Project contacts not available at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main.

Bank Documents

- Project Disclosure PDF [Original Source]

Other Related Projects

- ADB-54367-002 Strengthening Micro, Small, and Medium Enterprises Ecosystem Development