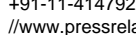




Government of India and World Bank Sign \$200 Million Agreement to Enhance Productivity, Improve Skills of Micro, Small and Medium Scale Enterprises

Government of India and World Bank Sign \$200 Million Agreement to Enhance Productivity, Improve Skills of Micro, Small and Medium Scale Enterprises
NEW DELHI, November 10, 2014: The Government of India (GoI) and the World Bank today signed a \$200 million loan agreement to enhance the productivity of Micro, Small and Medium Enterprises (MSMEs) by expanding and upgrading Technology Centers across India. Today, the manufacturing sector in India is facing several constraints including difficulties in accessing markets and finance, poor infrastructure, disincentives for MSMEs to grow and difficulties for MSMEs to access technology and skills. Technology Centers are shared facilities - often located near industry clusters - that enable MSMEs to access technologies, business advisory and training that can directly help them improve their productivity and competitiveness. The Technology Center Systems Program (TCSP) will develop the technological and skills base of MSMEs in selected manufacturing industries. The Technology Centers (TCs) will support industry clusters across manufacturing chains, both upstream (tooling industry) and downstream (such as automotive, electronics and fragrance and flavor industries). Select manufacturing industries face shortage of skilled labor and have limited access to advanced technologies. Technology Centers under this program will provide practical machine-based and hands-on vocational training for MSMEs and youth, especially women, in select manufacturing industries and clusters," said Tarun Bajaj, Joint Secretary, Department of Economic Affairs, Ministry of Finance. The loan agreement was signed by Tarun Bajaj, Joint Secretary, Department of Economic Affairs, Ministry of Finance, on behalf of the Government of India and Onno Ruhl, World Bank Country Director in India, on behalf of the World Bank. "With the largest youth population in the world, India has the potential to benefit from an immense demographic dividend. However, with 13 million young people entering the labor force each year, increasing the skills base of its youth will have to be a key priority for the country to gain from this demographic dividend," said Onno Ruhl, World Bank Country Director for India. The program will set up 15 new Technology Centers and upgrade the technological capabilities of the existing 18 Centers by developing links with Indian and international research institutes and leading manufacturers. "The unique proposition of this program is that it aims to create an ecosystem of engagement for Technology Centers and Small and Medium Enterprises. Through introduction of entities such as cluster network managers, technology partners and a pervasive IT platform, TCs can learn from each other and help their end customers better," said Manju Haththotuwa, Senior Private Sector Development Specialist and World Bank's Task Team Leader for the program. The program will also complement the work being done by public private providers of vocational training like the Industrial Training Institutes (ITIs), the polytechnics, the Advanced Training Institutes (ATIs) and Nettur Technical Training Foundation (NTTF); help them improve their curricula; train their trainers; and establish links between the Technology Centers and other institutes like the National Skill Development Agency. The loan, from the International Bank for Reconstruction and Development (IBRD), has a 7-year grace period, and a maturity of 22 years. Media Contacts
World Bank India
Nandita Roy
Tel : +91-11-41479220
nroy@worldbank.org
In Washington, D.C.
Gabriela Aguilar
gaguilar2@worldbank.org


Pressekontakt

The World Bank

DC 20433 Washington

Firmenkontakt

The World Bank

DC 20433 Washington

The World Bank is a vital source of financial and technical assistance to developing countries around the world.