

# NATIONAL WORKSHOP ON ROLE OF SMALL INDUSTRY ASSOCIATIONS IN THE CHANGING POLICY ENVIRONMENT

At India International Centre, New Delhi on 24th June, 2005

Sponsored by:

NATIONAL ENTREPRENEURSHIP DEVELOPMENT BOARD (NEDB), GOVT. OF INDIA



# The Background

In an era driven by liberalization, privatization and globalization, Small Scale Industry (SSI) sector plays a significant role in spurring economic growth and acting as a salve to the problem of unemployment. It accounts for 95 per cent of industrial units; 40 per cent of output of the manufacturing sector; and 35 per cent of total exports, providing employment opportunities to around 17 million persons (SIDBI Report, 1999).

A conducive support system and institutional mechanism, however, make the backbone of a flourishing industrial environment. Small Industry Associations' (SIA) role is indispensable in the growth of SSIs. Going by a rough estimathere are about 3,000 SIAs in the country, of which, 550 are more prominent. The Government's support to SIAs with a view to strengthening the SSI sector is amply reflected in the recommendations made by Abid Hussain Committee Report, which places SIA as a key actor in the growth of small industry sector.

## The Need

All along, the Small Industry Associations, have been engaged in dealing with bureaucratic issues such as, local taxes, water/power supply, garnering some concessions here and some small benefits there for their members. However, in the changed economic scenario, SIAs will have to expand their frame of activities thus incorporating those that have a direct bearing on the growth of SSIs. It is important that they adopt a more proactive role. The challenges of the day – thinking global, developing competitive edge, promoting private investments, facilitating strategic alliances/joint ventures leading 'collaborative competition' – can be met only by building capacities of individuals and institutions responsible for investment promotion/industrial development. The changing policy environment demands that SIAs come forward with their role as key players rather than peripheral facilitators.

# The Workshop

The need of the hour, therefore, is to orient office bearers of Small Industry Associations, policy makers and officials from industry departments towards the concept of Business Development Services (BDS) and the kind of role that industry associations can play in a liberalized environment towards the

growth of small scale industry. With this in view, a 1- day national workshop sponsored by the National Entrepreneurship Development Board (NEDB), Govt. of India, has been planned in New Delhi.

# Workshop Objectives

The basic objective of organizing such a workshop is to discuss the role of SIAs in the changing policy environment so that they become operationally more effective. Based on this premise, the specific objectives are to:

- present a study that EDI has carried out on the role of SIAs in the existing policy environment;
- decide the future 'Action Plan' for SIAs for facilitating growth of entrepreneurs;
- ▶ help them understand the current trends in global economic scenario as also domestic policies that affect SSI and ways & means to combat them.

### Outcome

The workshop will provide a platform to deliberate on the findings of a study that the Institute has completed on Small Industry Associations in India. This will facilitate participating Small Industry Associations to come out with strategies and approaches to cope with the changing demands / expectations of their members under a liberalised economic dispensation. Besides, the workshop will also lead to identification of key areas of weaknesses of these associations and strategies to strengthen them.

# Duration & Venue

his 1-day workshop will be held at India International Center, 40 Max Mueller Marg, New Delhi, on 24th June 2005.

# Registration

For participating in the workshop, send your nominations to : Mr. Bipin Shah, Senior Faculty-EDI, at the Institute's Head Office.



### About EDI

The Entrepreneurship Development Institute of India (EDI), set up in 1983, is an autonomous institution, sponsored jointly by the Industrial Development Bank of India IDBI, IFCI Ltd., ICICI Ltd., State Bank of India and the Government of Gujarat. As a national resource organization committed to entrepreneurship training, education and research, it has earned a great deal of national and international recognition for its efforts in spearheading entrepreneurship movement as reflected in the support that it has received from the UNIDO, World Bank, Commonwealth Secretariat, Friedrich-Naumann-Stiftung (FNSt) and several other international agencies.

Since entrepreneurship can only be nurtured in a conducive environment wherein entrepreneurs receive timely support, the Institute has initiated a host of activities the country to sensitize the support system officials and make them play a proactive role in industrial development. This process requires knitting together all relevant stakeholders, viz., government, banks, financial institutions, educational institutions and associations of industries on a common platform to make them aware of the kind of support that they should extend to potential/existing entrepreneurs and commit themselves to the strategy.

Realizing that such a gigantic task can only be accomplished with a collaborative effort, EDI has established linkages with a nationwide network of organizations and institutions committed to entrepreneurship development. Even though much has been realized, far more remains to be done and EDI continues with its mission of augmenting manifold the nation's aggregate capacity to develop its entrepreneurial potential.



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