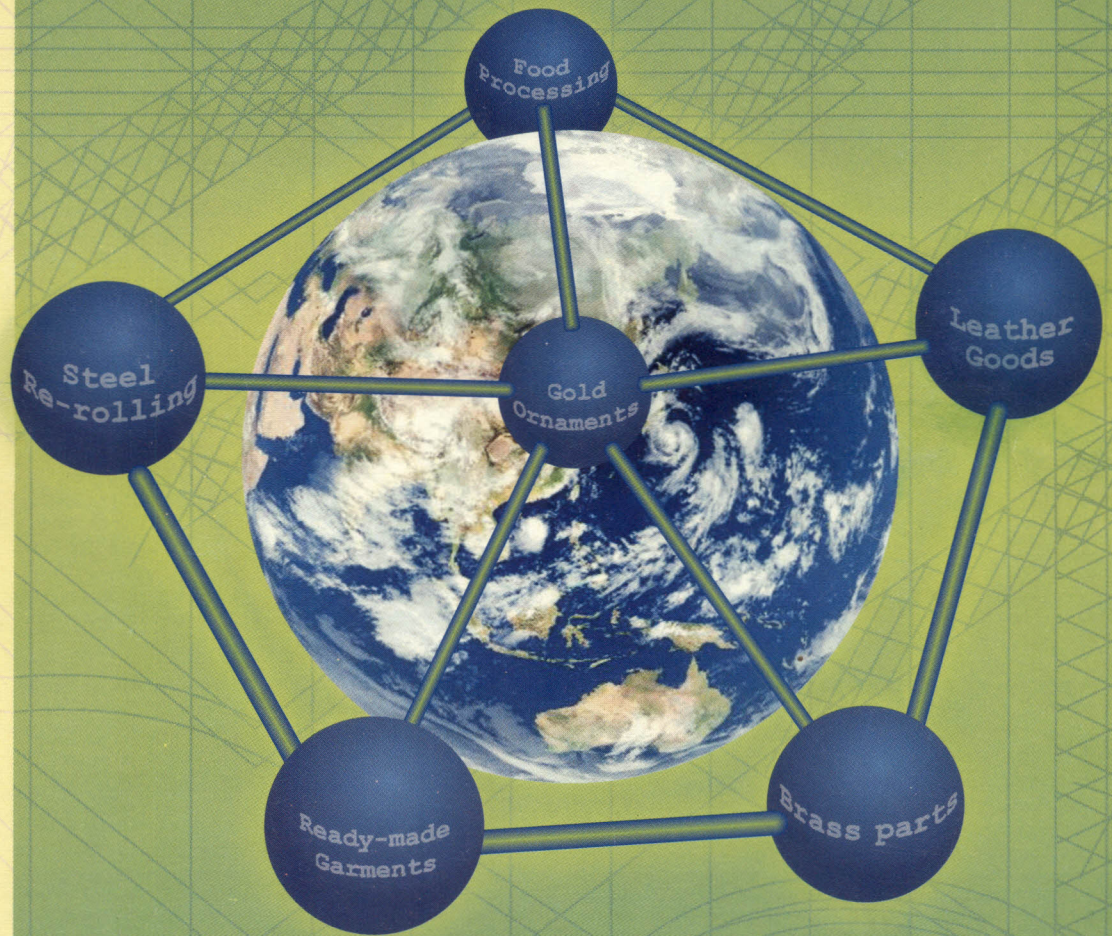


ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA



# International Centre for Cluster Competitiveness and Growth (IC<sup>3</sup>G)



SUPPORTED BY:

Office of the Development Commissioner  
(Small Scale Industries)  
Government of India





## Coverage

The Centre will primarily, i.e. in the first phase, address 12 clusters, at a national level, identified by DC SSI, Government of India, thus depicting an apparent impact on areas such as technology, marketing, brand building, raw material procurement, networking, international benchmarking and overall dynamism. These clusters include Food Processing, Muzaffarpur; Steel Re-rolling Mills, Raipur; Agricultural Implements, Karnal & Moga; General and Light Engineering, Parwanoo; Ready-made Garments, Bangalore & Indore; Gold Ornaments, Thrissur; Brass and Bell Metal, Khurda; Ball Bearings, Jaipur; Leather Footwear, Agra; and Leather Goods, Shantiniketan.



Based on research / diagnostic studies on clusters in India and abroad, the Centre will intervene to address the needs and requirements. The Institute has a wide presence on the international plane as well, and is



firming up plans to address cluster related issues at this level also. EDI looks forward to working in identified clusters in Cambodia, Lao PDR, Myanmar and Vietnam (CLMV nations). The Institute has been working in these countries as a part of the Ministry of External Affairs, Government of India sponsored project.

## EDI's Cluster Interventions

In view of the significance of the small-scale sector and its rich foundation in India, EDI has, for decades, been formulating and implementing programmes and strategies to equip them to face the challenges ahead. In association with UNIDO, EDI, therefore, identified need-based clusters and implemented the first Cluster Development Executives' Programme to develop a cadre of Resource Persons that could

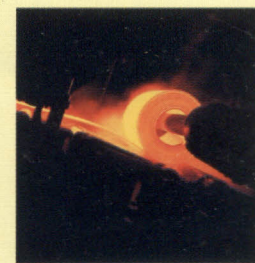


bring about dynamism in clusters, in a professional manner. Since then, EDI has been implementing its Cluster Development Methodology, thus addressing several dormant yet potential clusters of India. Its approach and the resultant accomplishments have been widely acclaimed by the State Government, Government of India and UNIDO as well.

The Institute's pilot level initiatives:

**Brass Parts Cluster, Jamnagar and Engineering Cluster, Rajkot:**

The reasons for slow down and decline of these clusters were identified and strategic interventions were implemented to take the clusters on a fast growth trajectory. Holistic development was ensured by creating technology awareness, improving quality and productivity, thus reducing the rejection rate, increasing exports, obtaining ISO registration for enterprises, forming consortia and by developing backward and forward linkages. In a landmark move, in Rajkot, implementation of around 67 technological innovations led to sustainable impact on quality and productivity. At Jamnagar, 1500 enterprises were helped to upgrade their technologies.



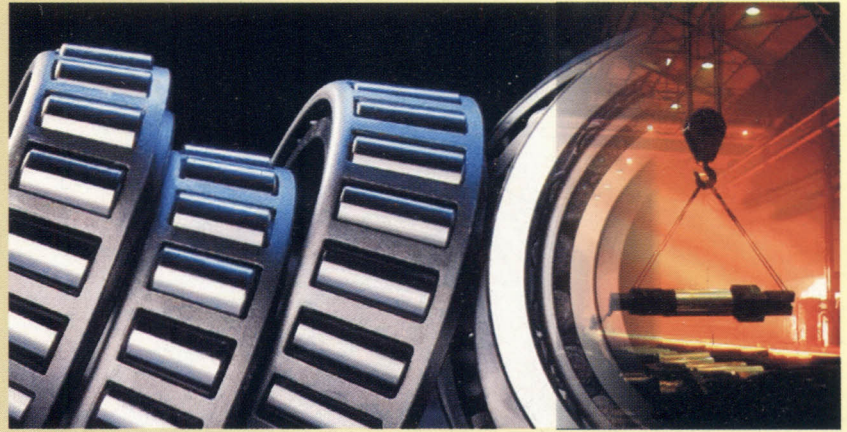
**Brass Metal Handicrafts Cluster, Moradabad:** The EDI approach induced dynamism in this cluster, thus training entrepreneurs on various facets of technology, marketing, production, health and safety measures, in addition to opportunities for diversification.

**Rubber Cluster, Kerala:** The project encouraged interest on co-opetitive modes by the entrepreneurs for common benefit,





besides promoting greater synergies between various private and public service providers. Meaningful changes were visible by formation of consortium, quality based competition, common approach to hiring of experts/ business development service providers, participation in domestic and international trade fairs, common raw material purchase and financing.



**Artisan Coir Cluster, Allepey:** Higher-order achievements in this cluster were ensured by implementing new financing instrument for purchase of raw material, pooling of transport and establishment of common facility centre. The interventions resulted in increasing margins and livelihood of thousands of tiny enterprises by about 50%.



**Growth-cum-Business Counsellors' Programmes:** With the objective of enhancing the capabilities of established entrepreneurs and imparting them an understanding on various facets of business so that they prepare a strategic growth plan for their units, EDI conducted Growth-cum-Counsellors' Programmes for established entrepreneurs of **Marine Cluster, Cochin; Machine Tools Cluster, Bangalore; Knit wear Cluster, Ludhiana; Scientific Instruments' Cluster, Ambala; and Sports Goods Cluster, Jalandhar.**

**Cluster Development Executives'(CDEs) Programme:** In order to build a cadre of resource persons with skills required to formulate action plan and take initiatives towards developing a cluster, EDI conducted





CDE programmes for Development Commissioner, Handloom and Handicrafts, Industry Associations, Chambers of Commerce, Support System Institutions from Kerala, NSIC and Textile Committee. As of now, 170 CDEs have been trained.

In order to help exploit growth potential of artisan clusters such as; those of, Carpet Weaving, Gwalior; Woodcraft, Jodhpur; Brass Metalware, Sonapur and Screw Pine Mat Weaving, Alpuzha, EDI has been making strategic interventions. EDI has also worked towards promoting Micro-Enterprise Clusters of Handicraft and Handloom, Nagaland.

**Research and Documentation:** The Institute's research on industrial clusters has helped understand the intricacies of clusters in India. Following research work has been conducted:

- Dynamics of industrial clusters in India
- Dynamics of growth and stagnation of industrial cluster
- Cluster development/strategic option for inducing industrial growth in Madhya Pradesh.

Documentation of EDI's experiences and replicable models has helped create a solid knowledge infrastructure. Capturing the interventions in the Jamnagar Brass Parts Industry, in the form of a book is an initiative that will assign sustainability to the approach adopted. The Cluster Development Agents' Manual is also worth the mention.

## Conclusion

Diversity of approaches, lack of knowledge on latest trends and narrow perspective have severely hampered the outcome. Therefore, in spite of a dense network of implementing agencies, they have not been able to set a precedent of successful interventions. The International Centre for Cluster Competitiveness and Growth will shepherd broad-spectrum interventions, thus ensuring self-sustaining, deep-rooted growth.





## About the Institute

Entrepreneurship Development Institute of India (EDI) is an autonomous and not-for-profit institute, set up in 1983, is sponsored by apex financial institutions - Industrial Development Bank of India (IDBI), ICICI Ltd., IFCI Ltd., State Bank of India (SBI) and Government of Gujarat.

Through well-conceived training interventions and capacity building activities, over about last two decades EDI has equipped thousands of people with entrepreneurial skills. To pursue its mission further, EDI has helped set up twelve state-level exclusive entrepreneurship development centres and institutes.

The Institute conducts several training programmes around strategic thrust areas like, Entrepreneurship Education, Micro Enterprise and Micro Finance Development, Performance & Growth of Existing Entrepreneurs, Entrepreneurship Environment and Support System, Performance Improvement of ED Organisations and Strategic International Programmes.

In order to broaden the frontiers of Entrepreneurship Research, EDI has also established a Centre for Research in Entrepreneurship Education and Development (CREED).



These successes and commitments have culminated in the recognition of its achievement by the Government of India and the State Governments.

In the international arena, the entrepreneurship development efforts by way of sharing

resources and organizing training programmes, have helped EDI earn accolades and support from The World Bank, Commonwealth Secretariat, UNIDO, ILO, FNSt, British Council, Ford Foundation, European Union, ASEAN Secretariat and several other renowned agencies.

The Ministry of External Affairs, Govt. of India, has assigned to EDI the prestigious task of setting up Entrepreneurship Development Centers in Cambodia, Lao PDR, Vietnam and Myanmar (CLMV nations). The Center at Lao PDR has already been set up and was inaugurated by Hon'ble Minister of External Affairs, Mr. Natwar Singh on 27<sup>th</sup> November 2004.

In recognition of its international achievements, the United Nations Economic & Social Commission for Asia and Pacific (ESCAP), Bangkok, Thailand, has declared EDI as a **'Centre of Excellence'**.





## International Centre for Cluster Competitiveness and Growth

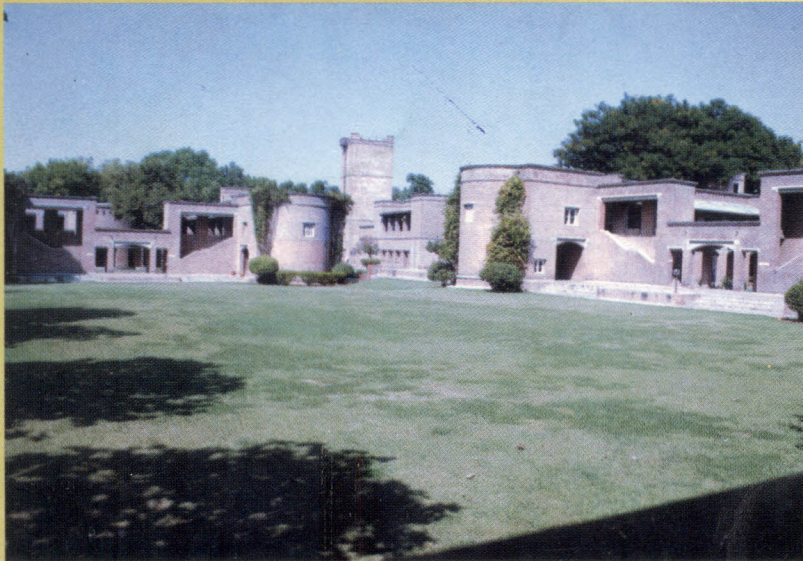
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