

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**India Signs Grant Agreement with the IBRD for USD 5.19 million for Additional  
Financing for Financing Energy Efficiency at MSMEs Project- Programmatic  
Framework for Energy Efficiency**

**New Delhi, December 13, 2016**  
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An agreement for GEF Grant of USD 5.19 Million for “Additional Financing for Financing Energy Efficiency at MSMEs Project- Programmatic Framework for Energy Efficiency” was signed here today by Shri Raj Kumar, Joint Secretary (MI), Department of Economic Affairs on behalf of the Government of India and Mr. Junaid Ali Ahmad, Country Director, World Bank (India) on behalf of IBRD [International Bank for Reconstruction and Development], acting as an Implementing Agency of the Global Environment Facility. Representatives from Ministry of Environment, Forests and Climate Change, Bureau of Energy Efficiency (BEE) and Small Industries Development Bank of India (SIDBI) were also present.

The parent project - India: Financing Energy Efficiency at MSME Project (FEEMP) became effective on September 29, 2010 with an original GEF Grant amount of US\$ 11.3 million. The Development Objective of the project was to increase demand for energy efficiency investments in select micro, small and medium enterprise clusters and to build their capacity to access commercial finance. The parent project currently has a Satisfactory rating towards achievement of Project Development Objective (PDO), and implementation performance.

The proposed additional financing (AF) would be used to help further scale up the initiatives taken up under the parent project. The additional financing will also contribute to bridge the current gap in understanding between different stakeholders, mainly energy professionals/technology suppliers, entrepreneurs, banks and financial institutions.

The project will focus on tapping EE benefits through a three pronged approach which includes (i) Awareness/capacity building (ii) Direct intervention to increase EE investments at MSME level, facilitating active involvement of service providers and Financial Institutions; and (iii) Expanding the EE knowledge base to scale up and replicate the project initiatives, especially through establishing key performance indicators.

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