

NEW DELHI: The World Bank has said that with growing concerns for global warming and climate change, the carbon trade market, which is set to grow from the present level of \$30 billion annually to \$100 billion, can prove another IT sector for India.

With the growth in global carbon credit market to reach \$100 billion, it can prove another IT sector for India. The country can garner a share of 15-16 per cent of this fast growing market, said Head Environment and Water Resources, World Bank Charles Cormier today.

He was speaking at a function, where memorandum of understanding was signed by the Small Industries Development Bank of India (SIDBI) with Ludhiana Hand Tools and Forging Envirocare - a special purpose vehicle (SPV) floated by about 300 steel forging units of Ludhiana.

The SPV would sell carbon credits to companies in the developed countries, who have to meet emission norms under Kyoto Protocol.

Cormier said the World Bank has so far pledged \$2.2 billion fund to bring down carbon emissions in the industrialised world. This year so far, he said, four agreements have been facilitated by the bank with Indian companies, and about 20 are in the pipeline.

For the SIDBI funded project, he said, the World Bank has given its support by agreeing to buy minimum 9.9 lakh certified emission reduction (CER) units from the SPV. The CERs are also traded on the stock markets.

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SIDBI inks MoU to promote `green technology`

BS Reporter / New Delhi/ Chandigarh November 20, 2007

Small Industries Development Bank of India (SIDBI) today signed a memorandum of understanding (MoU) with Ludhiana Hand Tools and Forging Envirocare Pvt Ltd (a special purpose vehicle floated by SME units in Ludhiana's steel forging cluster).

It is for the first time that SIDBI has entered into an agreement with a Punjab-based company. This is a part of SIDBI's strategy to enable SMEs embrace green technologies and facilitate environmental protection.

The MoU was signed in the presence of RM Malla, chairman and managing director, SIDBI, and Charles Cormier, team leader (energy and environment), World Bank in New Delhi.

According to the MoU, SIDBI will collaborate with the SPV for providing financial assistance to SMEs participating in the clean development mechanism (CDM) project, being implemented at the steel forging cluster in Punjab.

The SIDBI-Ludhiana SPV combine will encourage the SMEs to take up energy saving initiatives. Energy thus saved would reduce carbon dioxide emissions and result in accrual of carbon-emission reduction (CER) units.

This would make SMEs eligible for revenues through the sale of CER. The SPV's role would be to bundle the CER accruals and provide other services to the units.

The World Bank has given its backing to this initiative by agreeing to purchase 990,000 CER units from the SPV.

The Bank is also helping the SPV in development and implementation of the CDM project. Around 300 SMEs are expected to benefit from the project.

Speaking on the occasion, RM Malla said: "SIDBI has been trying to provide innovative solutions to SMEs. With global warming becoming a prime concern worldwide, we are proud to be the facilitators of this "green initiative".

He also released a brochure on 'CDM and carbon credits for SMEs' on the occasion.

Charles Cormier, team leader (energy and environment), World Bank (India) said: "SMEs in Ludhiana steel cluster have taken the lead in energy conservation and adoption of green technology. We would like see this initiative being replicated in other SME clusters as well."

SIDBI is implementing a project for SME financing and development (SMEFDP) with the support of DFID (UK), the World Bank and KfW (Germany).

SMEFDP is in dialogue with the SPV to structure a suitable proposal for providing technical assistance to build the capacity of SPV.

# SIDBI to help Ludhiana's steel forging units adopt cleaner technologies

World Bank backs the project by agreeing to purchase CER units

**Our Bureau**  
New Delhi, Nov 19

Small Industries Development Bank of India (SIDBI) on Monday signed an agreement with a SPV floated by SME units in Ludhiana's steel forging sector to provide financial assistance so that they can embrace more environment-friendly technologies.

The World Bank has given its backing to this initiative by agreeing to purchase 9.90 lakh certified emission reduction (CER) units from the SPV. The bank is also helping the SPV in development and implementation of the clean development mechanism (CDM) project. Around 300 SMEs are expected to benefit from the project.

According to a press release, SIDBI signed a memorandum of understanding (MoU) with Ludhiana Hand Tools and Forging Envirocare Pvt Ltd, which is the special purpose vehicle (SPV) floated by SME units in Ludhiana's



**Lending support:** Mr R.M. Malla (right), Chairman and Managing Director, SIDBI, with Mr Charles Cormier, Team leader, Environment and Water Resources, World Bank, at a press conference in the Capital on Monday. — Kamal Narang

steel forging cluster.

**SPECIAL PRUPORSE VEHICLE**  
As per the MoU, SIDBI will collaborate with the SPV to

provide financial assistance to SMEs participating in the CDM project being implemented at the steel forging cluster in Punjab.

**ENERGY SAVING INITIATIVES**  
The SIDBI-Ludhiana SPV combine will encourage SMEs to take up energy sav-

ing initiatives. Energy thus saved would reduce carbon dioxide emissions and result in accrual of CER units. This would make SMEs eligible for carbon credit revenues through sale of CERs. The SPV's role would be to bundle the CER accruals and provide other services to the units.

SIDBI is implementing a project for SME Financing and Development (SMEFDP) with the support of DFID, UK, the World Bank and KfW, Germany. SMEFDP is in dialogue with the SPV to structure a suitable proposal for providing technical assistance to the SPV.

The MoU was signed in the presence of Mr R.M. Malla, Chairman and Managing Director, SIDBI, and Mr Charles Cormier, Team Leader, Energy and Environment, South Asia Region, World Bank. Mr S.C. Ralhan, President of the SPV, said "We are thankful to SIDBI and the World Bank for supporting SMEs for this project."

Business Line, Hindu, Mumbai

November 20, 2007

28/11/2007  
MINT, Mumbai.

[www.livemint.com](http://www.livemint.com)

## WB, Sidbi to help SMEs earn carbon credits

**New Delhi:** The World Bank, the Small Industries Development Bank of India (Sidbi) and the **Ludhiana Hand Tools and Forging Envirocare Pvt. Ltd**, have joined hands to facilitate the small and medium enterprise (SME) clusters in Ludhiana to incorporate climate-friendly technologies to earn carbon credits.

Ludhiana Hand Tools and Forging—a special purpose vehicle—has been set up by 300 steel forging units in Ludhiana.

The World Bank will purchase a minimum of 990,000 carbon emission reductions (CER) worth \$10 million (Rs39 crore), from the 300 SMEs, which have agreed to participate in the programme.

"The World Bank is not only encouraging project-by-project proposals, but also encouraging more investment in carbon projects on a larger scale," said Charles Cormier, team leader, energy and environment, South Asia Region, World Bank. **PADMAPARNA GHOSH**

ANTOINETTE ANTONIOL/BLOOMBERG

## Good future for carbon trade: WB

New Delhi: The World Bank has said that with growing concerns for global warming and climate change, the carbon trade market, which is set to grow from the present level of \$30 billion dollars annually to \$100 billion can prove another IT sector for India. With the growth in global carbon credit market to reach \$100 billion, it can prove another IT sector for India.

London India Office in Delhi

The Financial Express

Mumbai Edition

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[www.thetribune.com](http://www.thetribune.com)

City units to go green  
First-ever initiative in the northern region  
Shveta Pathak  
Tribune News Service

Ludhiana, November 19

In the first-ever initiative by the industry in this region, over 300 steel forging enterprises here would be earning revenues by reducing their carbon dioxide emissions.

These units would be adopting green technologies.

Under an agreement between the Small Industries Development Bank of India and Tools and Forging Envirocare Private Limited, an SPV floated by SMEs in the steel cluster here, SIDBI would encourage units to take up energy saving initiatives, thus making them eligible to earn revenues through carbon emission reduction (CER).

“It is the first-ever initiative in the northern region.

The units that participate would earn roughly \$12 billion, which would be given to them by the World Bank over a period of 10 years,” said S.C. Ralhan, president of the SPV, while talking to The Tribune. He said the units would also improve their productivity and gain by saving on oil consumption and power.

The units that would adopt environment friendly technologies have already gone in for an energy audit and are expected to begin the process from next month.

The World Bank has given its backing to this initiative by agreeing to purchase 99,000 CER units from the SPV.

Ralhan said the baseline study had already been made, and the pre-design document would be sent to the UN soon.

The MoU was today signed in New Delhi in the presence of R.M. Malla, chairman and MD, SIDBI, Charles Carmier, team leader, energy and environment, India, World Bank, and Ralhan.

Carmier said: “SMEs in the Ludhiana steel cluster have taken the lead in energy conservation and adoption of green technology. We would like to replicate this in other SME clusters as well.”

SIDBI signs MoU for green technologies in SMEs  
Mumbai | Monday, Nov 19 2007 IST  
[www.webindia123.com](http://www.webindia123.com)

Small Industries Development Bank of India (SIDBI) today signed a Memorandum of Understanding (MoU) with Ludhiana Hand Tools and Forging Envirocare, to enable

small medium enterprises to embrace green technologies and facilitate environmental protection.

Ludhiana Hand Tools is a Special Purpose Vehicle (SPV) floated by SME units in Ludhiana steel forging cluster.

The MoU was signed in the presence of Chairman, Managing Director, SIDBI R M Malla and World Bank, South Asia Region, Energy and Environment, Team leader, Charles Cormier, an official statement said today. Under the MoU, SIDBI will collaborate with the SPV to provide financial assistance to SMEs participating in the Clean Development Mechanism (CDM) project being implemented at the steel forging cluster in Punjab. The statement said the SIDBI-Ludhiana SPV together will encourage SMEs to take up energy saving initiatives. Energy thus saved would reduce carbon dioxide emissions and result in accrual of Carbon Emission Reduction (CER) units. This would make SMEs eligible for revenues through sale of CER. The SPVs role would be to bundle the CER accruals and provide other services to the units.

The World Bank has given its backing to this initiative by agreeing to purchase 990,000 CER units from the SPV. The bank is also helping the SPV in the development and implementation of the CDM project. Around 300 SMEs were expected to benefit from the project. Commenting on the development, Mr Malla said, "SIDBI has been trying to provide innovative solutions to SMEs and we are happy to be their integral partner for the energy saving initiatives in the Ludhiana CDM project. With global warming becoming a prime concern area worldwide, we are proud to be facilitators of this green initiative." A brochure on CDM and carbon credits for SMEs' was also released by Mr Malla on this occasion. S C Ralhan, President of the SPV said, "We are thankful to SIDBI and the World Bank for supporting SMEs for this project. The MoU will go a long way in improving the productivity of SMEs in the Ludhiana cluster." Stating that the World Bank would like to see the initiative being replicated by other SME clusters as well, Mr Charles Cormier said, "SMEs in Ludhiana Steel cluster have taken the lead in energy conservation and adoption of green technology by this initiative."

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