

**Brief Note on High-Impact Entrepreneurs from Emerging Regions for
Action (HiEERA) Programme in AP**

Introduction:

HiEERA is an Empretec – UNCTAD flagship capacity-building programme for Entrepreneurs and Entrepreneurial Ecosystem Development. It promotes one-stop-centre for enterprise creation and development in developing countries to enhance productivity, capacity building and international competitiveness of Entrepreneurs. The programme promotes a methodology of behavioural change to put ideas into action and aids businesses to grow. The programme assistance will be given to entrepreneurs in terms of preparation of business plan, obtaining finance networking with National and International companies and it will help to the entrepreneur either set up or expand businesses, creating thousands of jobs in the process.

The programme improves productivity and efficiency of local supplier's through training, entering and information exchange. The Ernst and Young LLP is the knowledge partner for this programme.

The objectives of the Programme is as under:

- Promoting entrepreneurship
- Fostering entrepreneurial & institutional capabilities
- Promotes collaborative linkages between large and small enterprises
- Value Chain augmentation
- Create more local employment opportunities
- Improved quality of living for society and poverty alleviation

As part of the Programme interventions over 2 years, EIF will deliver a series of sensitization workshops, coaching sessions, and peer-reviewed analysis of entrepreneurial impressions based on UNCTAD-Empretec's behavioural approach to entrepreneurship promotion and tested tools including a system of Enterprise Development Services developed by UNCTAD and ISAR (International Standards of Accounting and Reporting) to strengthen entrepreneurial skills and business competencies of participants, with expected positive effects on survival rates, productivity, and profitability of their enterprises.

The programme proposes that 75 impact entrepreneurs from different economic sectors from Andhra Pradesh be involved in these activities to improve the competitiveness and resilience of their SMEs with demonstrable ability to attract and absorb investment, build resilient and competitive enterprises, integrate into local, regional, and global value-chains, and create sustainable jobs in the process. Implementing the programme at a district level in the state may strengthen industrial value chains to improve the resilience and competitiveness of forward-looking entrepreneurs.

To support the installation and development of the HiEERA Programme, the State Government of Andhra Pradesh may consider designating a state Nodal agency and making available the necessary Technical Assistance Funding for delivering a HiEERA Development Cycle of workshops and activities. External funding for installing the HiEERA programme may be available from development agencies such as SIDBI or NABARD, or from other CSR-sensitive entities, should the proposed designated agency take the initiative to request such funding.

Proposed UNCTAD HiEERA Programme Installation in Andhra Pradesh:**UNCTAD Empretec Programme:**

Empretec is the UNCTAD's flagship Entrepreneurial capacity building Programme that promotes creation of a One-Stop-Centre for enterprise creation and development. The programme aims to promote entrepreneurship and enhance the productive capacity and international competitiveness of Enterprises in developing countries and economies in transition.

UNCTAD HiEERA Programme:

High-Impact Entrepreneurs from Emerging Regions for Action (HiEERA)

Programme a customized programme for entrepreneurship development in India. Empretec India Foundation (EIF) is a not-for-profit public Trust under sections 12AA and 80G of the Income Tax Act. EIF has an express agreement with UNCTAD towards the installation and development of UNCTAD's Empretec Programme in India by partnering with international organizations, transnational corporations, government agencies, banks, chambers of commerce and others.

Empretec has delivered cultural interventions in India so far. It is for the first that EIF with Ernst & Young (EY) as knowledge partners are promoting Enterprise Development Services (EDS) in keeping with UNCTAD's roster of good business linkage practices.

Past initiatives & outcomes

I. Contributors for Past Entrepreneurship Ecosystem Development initiative

Top 5 contributors over the last 3 years being:

1. UNCTAD (European Union, UN Women)
2. UNDP
3. Government of West Bengal
4. Government of Kerala
5. UNIDO

Top 5 contributors towards extending support for providing entrepreneurs for the programme:

1. State Bank of India
2. ITC
3. NABARD
4. SIDBI
5. UN Women
6. EU
7. Corporate and Organizations like Vizag Steel

i. Outcomes

The economic value addition of the Programme from 2011-2021 on Pan India basis, as reported to UNCTAD through EIF's annual reports have been as follows:

Entrepreneurs prospected: 3,000	Indirect Employment created: 100,000
Entrepreneurs sensitized: 1,500	Additional Enterprises created: 1,000
HiEERA Enterprises developed: 100	Direct Investment & Grants absorbed: INR 1,000 cr
Direct Employment created: 10,000	Indirect Investment & Grants absorbed: INR 5,000 cr

Source: As per the HiEERA Programme brochure

Installation requirements:

i. Administrative Arrangements

- Appoint Govt. Nodal Agency from State for facilitating installation of the programme.

- Provide sponsorship (Technical Assistance) through own funding or through funding from Ministries of Govt. of India/ Developmental Banks like SIDBI, NABARD or others for Installing the HiEERA Development Cycle
- The State Nodal Agency to conduct monitoring on the progress of the programme and report to Sponsoring Authority
- Provide support services as maybe required for programme installation

II. Selection of Entrepreneurs for Programme:

- State may choose Focus sectors (or any sector that State may deem fit) for HiEERA Development programme
- The State Nodal Agency may create a pool of around 150 entrepreneurs for the Programme and organize a workshop for the entrepreneurs to be addressed by EIF for sensitizing the entrepreneurs on the programme
- EIF & EY shall conduct the final selection of the entrepreneurs from the pool as per laid down criteria of UNCTAD for the programme
- Total 75 entrepreneurs shall be selected in a phased manner from the pool for the Programme

III. Selection criteria & Process

- Promoters of existing SMEs with good business performance, high growth potential and in the existing business for 3/4 years
- Start-ups with good bankable projects and in the market for at least 2/3 years
- Group interviews/presentations to be conducted by EIF & EY
- Attributes checked during selection process: Socio-Emotional Intelligence, Psychological & Behavioural indicators, Banking relationship (loans and repayments) and growth Mindset

Benefits to State & Entrepreneurs:

Benefits to State

- Promotes sustainable practices in enterprise generation, employment, investment and encourage foreign direct investment (FDI) at the State-District level
- Facilitates setting up of businesses & integration of local enterprises into local, regional and global value chains – enhance operation capabilities, competitiveness and provides impetus to the local enterprises to move up the value chain
- Encourages entrepreneurial culture & raises quality of life
- Linking entrepreneurial activity with economic development and increase in taxes and revenues
- Formalizes linkages between Government, Financial Institutions and aspiring and settled entrepreneurs
- Development of entrepreneurial ecosystem in the States
- UNCTAD to provide Entrepreneurship Development Policy for the State
- UNCTAD focuses on a top-down approach towards entrepreneurship development based on extensive experience in developing countries where such focus on high impact entrepreneurs has led to holistic development of both the Entrepreneur directly and led to a trickledown effect of increase in revenue, employment and competitiveness for allied businesses thereby leading to an overall economic development in the state

II. Benefits to Entrepreneurs

- Identifies, hones personal entrepreneurial competencies and Entrepreneurial habit formation

- Introduces Empretec's Personal Entrepreneurial Competencies (PECs)
- Highlight's relevance of Empretec's PECs in real-life situations
- Business development services to aspiring and settled entrepreneurs for sustainable business development
- Enhanced business continuity, financial stability and resilience
- Increased quality standards and competitiveness providing opportunity to attract investment and growth by moving up the Value Chain
- Increased sales and/or exports through business linkages
- Expansion of client base
- Access to Finance, Information, Technology and Management processes
- Access to UNCTAD coaching and technical advice
- Improved competitiveness, product standards and managerial skills

Key Programme Components:

Culture-based interventions	Linkage-based interventions
<ul style="list-style-type: none"> • Identifying aspiring, early-stage, and settled entrepreneurs and stakeholders with growth mindsets • Designed to provide insights to entrepreneurs with growth mindsets • Process of deliberate habit-formation and better decision-making encouraged through a range of coaching inputs • Provide an understanding of • Empretec's Personal Entrepreneurial • Competencies (PEC) framework 	<ul style="list-style-type: none"> • HiEERA Enterprise Development Services (EDS) - Access to markets, technology, finance, developing business plans and valuation reports meeting governance and environmental standards, monitoring for 2 years • Top-down approach - Interventions with first few tiers of supply & distribution network (larger and developed enterprises) • Working down - smaller enterprises with potential for value chain integration
<ul style="list-style-type: none"> • Programme Designed in line with India's commitment to implementation of UN Sustainable Development Goals 2030 • UNCTAD's Business Linkage Programme (SDGs 1, 2 and 8) • UNIDO Industrial Value Chain Diagnostics Framework (SDG 9 and 12) • UNCTAD Entrepreneurship Policy Framework and Implementation Guidance (SDG 4 and 17) • UN Women's efforts and commitment towards ensuring gender balance in industrial and economic value chains (SDG 5 and 10) • Programme contributes towards facilitating sustainable post-COVID-19 resurgence in SME sector of India 	

In view of the above, the National Director, UNCTAD-Empretec Programme for India is requested to the following:

- 1) Appointing an implementing agency (MSME Development Corporation, perhaps) and sending in a formal letter appointing the agency for implementation of the programme.**
- 2) Appointing two officers to support the programme installation efforts in Andhra Pradesh.**
- 3) Sending letters to financial institutions like SIDBI, Corporates for CSR funding and possible fund allocation through MSE-CDP.**

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Small Industries Development Bank of India (SIDBI), established under an Act of Parliament in 1990, acts as the Principal Financial Institution for Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector as well as for co-ordination of functions of institutions engaged in similar activities. In the context of the changing MSME lending landscape, the role of SIDBI has been realigned through adoption of SIDBI Vision 2.0 which envisages an integrated credit and development support role of the Bank by being a thought leader, adopting a credit-plus approach, creating a multiplier effect and serving as an aggregator in MSME space.



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