

# CLIMATE CHANGE AWARENESS AND FINANCING FOR MSMEs

Posted On: 22 JUL 2024 4:43PM by PIB Delhi

Ministry of Micro, Small and Medium Enterprises has launched two sub-schemes under RAMP Programme namely (i) MSE Green Investment and Financing for Transformation Scheme (MSE GIFT Scheme) and (ii) MSE Scheme for Promotion and Investment in Circular Economy (MSE SPICE Scheme) on 20<sup>th</sup> December, 2023.

The MSE Green Investment and Financing for Transformation Scheme (MSE GIFT Scheme) intends to help MSMEs adopt green technology with interest subvention and credit guarantee support. The scheme involves a total outlay of Rs.478 crore for 3 years (2023-24 to 2025-26) with Interest Subvention outlay of Rs.350 crore, Risk sharing fund of Rs.125 crores and Information Education and Communication (IEC) component of Rs.3 crores. The overall objective of the scheme is to provide support to the MSEs in accessing institutional finance at a concessional rate for adopting clean/green technologies and help them to transform into green and sustainable business operations.

The MSE Scheme for Promotion and Investment in Circular Economy (MSE SPICE Scheme) is the first scheme in the Government of India to support circular economy projects. The primary goal of the scheme is to promote resource efficiency, reduce environmental impact and enhance the competitiveness of MSEs in India. The scheme involves a total outlay of Rs.472.50 Crore for the period 2023-24 to 2026-27 with components of Credit Linked Capital Subsidy of Rs.450 Crore, Awareness Generation and Demand Creation of Rs.15 crores and Information Education and Communication (IEC) component of Rs.7.50 crores.

Small Industries Development Bank of India (SIDBI) has been nominated as Implementing Agency for both the sub-schemes i.e. (i) MSE-GIFT and (ii) MSE-SPICE.

This information was given by Minister of State for Ministry of Micro, Small & Medium Enterprises, Sushri Shobha Karandlaje in a written reply in Rajya Sabha today.

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(Release ID: 2035103)