



## **Energy / Smart Cities in India Day – Stockholm March 24, 2017**

### **Key Messages**

#### **Summary**

By 2030 the majority of India will be urban. To meet the country's urban future, and the migration of 300 million people in less than 20 years will require infrastructure, energy, and skilling of Indians. India continues to rely on coal as a primary energy source, but the country's growth imperative will require the extensive development of renewable energy, as well as continued actions on energy efficiency and energy security. This, combined with the country's commitment to de-carbonise, provides a strong focus on sustainability and the need for strong innovative technologies.

Public Private Partnerships (PPPs) will continue to be the business model of India's urban future, and changes are being made to allow for greater access to technology competition, that respects life-cycle costs and quality based metrics.

India's Smart City Mission provides a clear example of this. This ambitious call to action by the Modi Government provides new tools of finance and partnership for municipal and private sector stakeholders. In so doing, a new phase of business engagement opens up for Swedish SMEs.

In this context, the Embassy of India, together with The Sweden India Business Council held the Energy and Smart Cities Day on March 24, 2017. The Day brought together Sweden's key actors in the debate, to share best practice as well as exchange ideas on the steps forward for engagement between Sweden and India in the areas of energy and smart city development. There were over 130 participants for the Day, of which 80 per cent were SMEs.

India's urbanization combined with its growth imperative will continue despite and in spite of external interventions and planning. With this clear input from ABB, the energy panel discussions had strong messages to both Indian and Swedish government actors, as well as lessons for private actors. The Smart Cities Panel reconfirmed the need for smart financing and stronger government ownership to steer the Swedish smart Cities ecosystem, when focusing specifically on SMEs. Cities will be key partners in India's future. But cities will need to work with an eco-system of partners to be able to deliver on their urban smart city visions.



Appendix 1 has a list of all keynote speakers and panellists for The Energy & Smart Cities Day.

### **Key Messages;**

**1. SMEs require the Swedish brand, and larger Swedish companies** to help access and engage with the Indian marketplace.

- Entering the Indian market with the Swedish brand, and in the company of larger companies, such as ABB, provide ‘fast’ credibility for SMEs
- Working directly with larger Swedish companies also provides opportunities for SMEs to showcase technology and skip the pilot phase of deployment, that is often required in India Swedish technology discussions

### **NEXT STEP**

- SIBC, together with Teknikföretagen, will organise a roundtable to have a focused discussion on larger companies can work with SMEs to develop strong partnerships, as well as mentor programmes to provide access and ‘credibility’ to the Indian marketplace.

**2. Platforms that bring together Swedish actors, with a singular message to India, have had positive results, and should continue;**

- The India Sweden Innovations’ Accelerator as a platform that provides focused engagement between Swedish innovation companies, Swedish finance actors, as well as Indian public and private sector buyers, was brought into focus. Such a platform provides the Swedish brand and credibility required of Indian buyers.
- The partnership with CII of the Accelerator provides a strong pillar of local intelligence to aid in the matchmaking of Swedish innovation company and possible Indian partner.
- SMEs such as Metrum, that have now found partnership with Indian giant Tata, acknowledged the role of the Innovations’ Accelerator platform to make connections with the market that SMEs, on their own, would be unlikely to manage.

### **NEXT STEP**

- The Association of Swedish Engineering Industries (Teknikföretagen) has committed to developing *Urban Living Labs* with the Confederation of Indian Industries. *The Urban Living Lab* will look to incorporate the R&D / Capacity building side towards the smart city initiatives. IVL and Allan Larsson will play a strong part of this bilateral programme development.

**3. ‘Smart Financing’ from Sweden, to answers India’s PPP requirements, will be**



### **needed for SMEs to be able to competitively engage on the Indian market**

- - Access to Finance continues to be a problem for SMEs engaged in the Indian marketplace. Business as Usual scenarios provide a higher threshold for SMEs as when compared to larger companies. The reasons behind this are clear; in general transaction costs and due diligence are scale neutral, however likely to have higher returns and less risk for larger deals.
- Sweden will need to change its way of doing business to incorporate consortium engagement, if it is to keep up with the Indian PPP marketplace. Project owners are government, bidding out, and consortium projects are the result.
- The role of green financing and green bonds becomes a very important factor for consideration when looking at SME engagement in the climate conscious smart city space.

### **NEXT STEPS**

- In recognition of the need to develop diversified finance mechanisms, Team Sweden Smart Cities Cleantech will create a report of all options for financing. This is being done by Teknikföretagen Advisor Bo Jerlström and Johan Henningson, SEK

### **4. Increased Swedish Government support for SMEs is required to see positive outputs from smart city intentions**

- A number of platforms, and initiatives are currently taking place; with a singular focus of facilitating Swedish export. However there is strong need to coordinate actions between platforms and actors to provide strong outputs.



***APPENDIX 1 - List of KeyNote Speakers and Panel participants for Energy and Smart Cities Day, March 24, Hotel Sheraton, Stockholm***

Ms. Monika Kapil Mohta, Ambassador of India to Sweden and Latvia

Ibrahim Baylan, Minister for Policy Coordination and Energy, Government of Sweden

Suja Chandy, Vice President Invest India

Rajendra Iyer, Group Vice President, Business Strategy - Power Grids Division, ABB

Bo Normark, Senior Advisor, Royal Academy of Engineering Sciences

Rebecka Andreasson, Business Development Executive Metrum Sweden AB

Rajendra Iyer, Group Vice President, Business Strategy - Power Grids Division, ABB

Andreas Molin, CEO PPAM, Innovations' Accelerator

Staffan Ahl, Director of Swedpartnership, Swedfund

Ludvig Lindström, Senior Advisor, Swedish Energy Agency, Innovations' Accelerator

Håkan Agnevall, President Volvo Bus Corporation and Co-Chair for Smart Cities in Sweden India Business Leaders' Roundtable (SIBLRT)

Allan Larsson, Special Advisor to the President of the European Commission; Initiator Hammarby Sjöstad 2020; Former Swedish Finance Minister, Director General European Commission, Member of Parliament

Jennie Cato, Head of Products and Markets, Teknikföretagen (Smart Cities Sweden, India Chapter)

Mikael Kullman, Managing Director, Delling Energy

Narayanan Thiruvengadathan, Director and Manufacturing and Logistics Leader, Larsen & Toubro Nordic Region

Will Sibia, Sustainable Development Director, Sweco

Bo Jerlström, Advisor to the Association of Swedish Engineering Industries, former Ambassador