

Raising and Accelerating MSME Performance (RAMP) scheme

April 2, 2022

In news– Recently, the Union Cabinet has approved the “Raising and Accelerating MSME Performance” (RAMP) scheme that would commence in FY 2022-23.

About RAMP scheme-

- It is a World Bank assisted Central Sector Scheme, supporting various COVID Resilience and Recovery Interventions of the Ministry of Micro, Small and Medium Enterprises (MoMSME).
- The programme aims at improving access to market and credit, strengthening institutions and governance at the Centre and State, improving Centre-State linkages and partnerships, addressing issues of delayed payments and greening of MSMEs.
- In addition to building the MoMSME’s capacity at the national level, the RAMP program will seek to scale up implementation capacity and MSME coverage in States.
- RAMP was formulated and proposed by the Government of India, for strengthening MSMEs in line with the recommendations made by U K Sinha Committee, KV Kamath Committee and Economic Advisory Council to the Prime Minister (PMEAC).
- The Department of Economic Affairs (DEA) in the 97th Screening Committee meeting approved the preliminary proposal on RAMP.
- This was followed by Missions, extensive consultations with States and other stakeholders, technical and fiduciary assessments conducted by the World Bank.
- The total outlay for the scheme is Rs.6,062.45 crore or

USD 808 Million, out of which USD 500 Million would be a loan from the World Bank and the remaining USD 308 Million would be funded by the Government of India (GoI).

- **This programme will address the generic and COVID related challenges in the MSME sector** by way of impact enhancement of existing MSME schemes, especially, on the competitiveness front.
- **RAMP would be a:**
 - **“Policy Provider” through the enhanced capacity for evidence-based policy** and program design, to enable the delivery of more effective and cost-efficient MSME interventions to improve competitiveness and business sustainability.
 - **“Knowledge Provider” through bench-marking, sharing and demonstrating best practices/success stories** by leveraging international experiences.
 - **“Technology Provider” providing access to high-end technology** resulting in the digital and technological transformation of MSMEs through state of art Artificial Intelligence, Data Analytics, Internet of things (IoT), Machine Learning etc.
- Funds would flow through RAMP into the Ministry’s budget against Disbursement Linked Indicators (DLIs) to support ongoing MoMSME programmes, focusing on improving market access and competitiveness.
- **Important component of RAMP is preparation of Strategic Investment Plans (SIPs), in which all states/UTs will be invited.**
- **The overall monitoring and policy overview of RAMP would be done by an apex National MSME Council, headed by the Minister for MSME**, including representation from various Ministries and supported by a secretariat.
- A RAMP programme committee headed by the Secretary of

MoMSME to monitor the specific deliverables under RAMP.