

BUSINESS RECOVERY & GROWTH THEMATIC BOARD

25th March 2021

India Programme Strategy Roadmap 21-23

Purpose of Report

This paper is intended to provide the board with an update and indication of the next phase of activity for the India Programme. Following the discussion at the last board meeting, the Board will be presented with the proposed next phase priority areas to review, discuss and agree the delivery of the proposed priority initiatives.

Thematic Priority

1. Facilitate and proactively support growth amongst existing firms
2. Increase sales of SCR's goods and services to other parts of the UK and abroad.

Freedom of Information and Schedule 12A of the Local Government Act 1972

The paper will be available under the Combined Authority Publication Scheme

Recommendations

The Business Growth Board:

- Members are requested to note the activities completed and progress made to date.
- Members are requested to consider and approve the forward delivery proposals for the India programme and the role of the South Yorkshire India Forum in guiding the strategy
- Members are requested to approve the recommendation that the South Yorkshire India Forum is accountable to the Business Recovery & Growth Board and reports on progress periodically.

1. Introduction

- 1.1** Following the paper presented at the January meeting which set out the activity remaining to March 21' this paper sets out the proposed approach for developing the next phase of activity for the India programme for the financial years 21/22 and 22/23.
- 1.2** The paper highlights progress made to date and based on feedback from the initial work and an increase in available resource within the Trade and Investment team makes recommendations to adjust delivery forward as part of our developing strategy. These proposed changes will both ensure value for money but also give increased flexibility in our delivery approach.

2. Proposal and justification

2.1 Background

2.1.1 In 2017, the Sheffield City Region (SCR) commissioned the UK India Business Council (UKIBC) to develop an India engagement strategy for the City Region to grow trade and investment. The task set by the SCR was to produce a strategy for 2025 and beyond that:

- Increase FDI inflows by 10% into SCR from India;
- Increase exports by 10% from SCR to India;
- Increase in number of Indian students by 10% studying at both Sheffield Universities; and
- Increase in Indian tourism to Sheffield by 10%.

2.1.2 With these objectives in mind, the UKIBC strategy report included an outline activity plan and made five clear recommendations:

- I. Focus on the Western Cluster, with Pune as the top target city, along with Mumbai, in Maharashtra
- II. Establish a brand that resonates in India – ‘Make in India: Design and Develop with the Sheffield City Region’
- III. Create a “Team SCR”, bringing together the City Region’s top assets, including: the Chair of LEP; elected politicians (local and national); the Vice Chancellors of both universities; the CEOs of all the Chambers and other business organisations, e.g., the Company of Cutlers; the Heads of the AMRC and AWRC; the CEOs/Chairs of SCR businesses in India; SCR-based heads of Indian businesses in the city region; and leading figures from sport;
- IV. A strategic India Forum should be set-up to support implementation
- V. Roll out an export growth programme to help firms to overcome barriers to entering the Indian market, which can often be perceived as challenging.

2.2 Key activities to date

2.2.1 Good progress has been made in implementing recommendations i, ii and iv.

2.2.2 Important activities were the two SCR delegations to Pune and Mumbai in October 2018 and October 2019. These visits followed the “Make in India, Design and Develop with the SCR” theme, and generated productive connections with civic, corporate, academic and trade bodies in both cities.

2.2.3 These visits corroborated the sectoral and thematic focus suggested in the 2017 strategy document, giving SCR officials first-hand intelligence on how the SCR can benefit, economically and socially, by partnering with Indian businesses, state government departments, universities and trade associations. The visits also helped raise the profile of the Sheffield City Region in front of priority audiences.

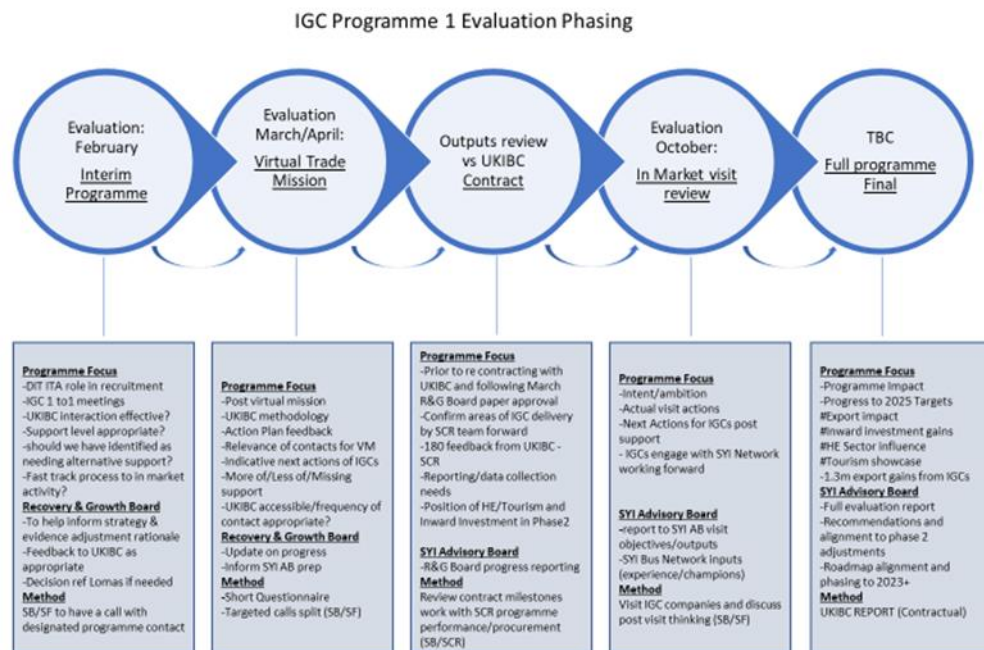
2.2.4 Recommendation 5 aimed at driving exports to India has been supported by the successful launch of the South Yorkshire India Growth Champions Programme. Launched in April 2020, the flagship export promotion programme — the India Growth Champions — was launched to help SCR-based companies secure new or increased exports to India. Following an application process, nine Growth Champions (GCs) joined the programme. It is targeted that this group will secure export wins of £1.3 million.

These Growth Champions each receive:

- Three interactive doing business in India workshops;
- One-on-one support, including:
 - ❖ a diagnostic;
 - ❖ an outline business plan for India;
 - ❖ market intelligence;
 - ❖ introductions to potential customers and partners; and
- Virtual and actual trade missions to India (February and Autumn 2021) to meet potential customers/partners and important players in the ecosystem, such as professional service providers and senior government officials.

2.3 Evaluation

2.3.1 An interim evaluation of the programme is underway and will conclude with a full report on conclusion of the trade mission to India. Feedback to date is positive albeit at this point for many participants focuses on guidance, information and market introductions as opposed to economic value from participation, this will hopefully come from the fuller programme evaluation.



2.3.2 The pandemic has both slowed progress but also lead to adjustments to process, the virtual trade mission held in February replacing an in-country mission, albeit it is hoped that this can proceed in the autumn. We fully anticipate that contacts made as a result of the diagnostic and action plan phases will result in activity progressing prior to in country visit for some IGC Champions. It is recognised that whilst this would be a positive and welcomed outcome the consensus view is that in market visits to build relationships for new market entrants in a requirement and that the forward SCR approach should have this as a key element of future programmes.

2.3.3 Feedback from one of the participants Kryptic Media (T/a Kycker), has helped inform our learning and developing strategy. The Sheffield-based company innovatively helping

musicians to distribute their music to all major online stores, is expanding into India, with support from the India Growth Champions programme.

Kycker has set its sights on India as an emerging market with lucrative opportunities. As part of the Scheme the company has taken advantage of the market intelligence study, which enabled them to better understand the digital music ecosystem in India.

The study thoroughly researched musicians, music producers, independent labels, distributors and sound engineers in India and created a list of potential partners for Kycker. The business has since carried out discussions with some of these partners, which has led to one major Indian music distribution company confirming their interest in a commercial licensing deal.

Frank Wilkes, Director of Kycker has recently said, *“We’re excited about the huge opportunities that are opening up to us in India – particularly with the opportunity to secure our first Indian licensing deal. The market intelligence study gave us a great insight into the way the music industry works in India, the country’s legislation and industry competitors. We are looking forward to the Trade Mission to India in 2021, when we expect to hold a number of meetings with other partners. We see huge potential in India and South East Asia for our music distribution service.”*

2.3.4 Further below are selected important insights gained from stakeholders in Pune and Mumbai, which will further help inform the SCR’s 2021-23 strategy:

- Larger conglomerates are keen to explore technology enablers focussing on industry 4.0, digital manufacturing, robotics, AI, e-mobility technologies, and R&D collaborations. The AMRC/Catapult Centre model is widely admired;
- Smaller businesses are interested in technical collaborations and exporting to/business opportunities with SCR-based companies;
- Trade associations are mostly interested in export opportunities for their member businesses. However, they will promote investment opportunities in the SCR to members;
- Universities are mostly interested in student and faculty exchange programmes, collaborating on making syllabi more industry-ready, and support in research projects/commercialising projects;
- Civic/Government bodies want collaborations that fit into the regional (and city-level) objectives, such as clean energy/tech, sustainable development, waste reduction/reuse, traffic management, renewable energy solutions and, of course, foreign direct investments.

2.4 Looking forward – next phase recommendations

2.4.1 Annex 1 provides a visual roadmap of the proposed core programme next steps that will establish activities for the next 2 years; There are several key themes that will underpin next phase strategy

- Learning from the first phase of activity is evaluated and built into forward strategies
- The soon to be formed South Yorkshire India Advisory Board has oversight and will review the next phase recommendations at the first meeting.
- The relationship with UKIBC does not become a reliance on UKIBC, as increased resource has been recruited into the Trade and Investment team, we are confident that

some activity delivered by UKIBC due to the necessity of resource allocation can be brought in house

- That the approach is adjusted where appropriate to maximise value and outputs to participating companies
- We review how the developing programme can become part funded via private sector engagement in the South Yorkshire India Forum
- The Business Recovery & Growth Board considers future strategic recommendations made by the South Yorkshire India Advisory Board relating to forward options for in market resource to support the developing programme of activity.

2.4.2 As set out, alongside increasing exports, the South Yorkshire India programme has other key strategic objectives. Civic relationships have progressed well and have been a key feature in building relationships between our Region and the Maharashtra Region. This will be an ongoing theme and will not only help drive the B2B activity within the programme but support other key medium-term objectives of Inward Investment, Education and Tourism outputs, the developing strategy will be giving increased focus to these areas.

2.4.3 Ideally from financial year 2023/24, the SCR-India Programme should evolve from a solely MCA-funded programme to a joint-funded public-private partnership (PPP). During the second half of 2021, following the launch of the South Yorkshire India Advisory Board the next steps should include developing the post 2023 strategy including developing a commercial/membership proposition, sponsorship and opportunities through broader business network, delegations, events, and the evaluation of outputs from the IGC programme to create a compelling proposition for the private sector.

2.5 Conclusion

2.5.1 Progress has already been made, including two delegations and the launch of the Growth Champions Programme, the extension of Civic relations and the Virtual Trade Mission. Important next steps are to establish the Advisory Board and to present detailed proposals outlining activities for F/y 21/22 & 22/23 along with a programme of events to support the launch of the Business Network.

2.5.2 These steps will give the Advisory Board a platform for the next two years and allow room for parallel activity in the development of a post 2023 sustainable strategy alongside increased focus on the investment, education, and tourism objectives to ensure that ambitions to 2025 are achieved.

3. Consideration of alternative approaches

3.1 Do Nothing – this option is recommended to be discounted as the UKIBC strategy report provided an outline activity plan and made clear recommendations to progress an India engagement strategy to enable the City Region to grow trade and investment.

4. Implications

4.1 Financial

The budgets for F/y 21/22 are currently under review

4.2 Legal

Terms of Reference to establish the South Yorkshire India Advisory Board will be developed with the Legal team

4.3 Risk Management

Any contracted delivery will have contractual milestones and performance review as standard clauses. These will form the basis of robust project management and are reviewed on an ongoing basis

4.4 Equality, Diversity and Social Inclusion

None

5. Communications

5.1 Following this discussion a progress paper will be brought to a future Thematic Board

5.2 Discussions have been held with marketing to ensure appropriate levels of support are available and activity aligned to marketing and communications planning for 21/22

6. Appendices/Annexes

6.1 Appendix 1: India Programme Roadmap 20/21-23

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: