Keeping in view the broad-based participative Cluster Development Initiatives of the Ministry of SSI with a holistic approach, the UPTECH Scheme has now been renamed as “Small Industry Cluster Development Programme”. The Ministry has decided to start a large number of Cluster Development initiatives across the country under the UNIDO methodology for Cluster Development. UNIDO Focal Point Cluster Development Programme, New Delhi is actively assisting the Ministry in respect of designing the structure and contents of the programme.

As many as 21 Clusters have been selected in July, 2003 for cluster development with a holistic approach by the O/o the DC(SSI). Earlier, discussions were held with State Governments, local Industries Associations, Financial Institutions and other organizations involved in promotion of SSIs while selecting the clusters and the following considerations have been kept in view:

- Distinct technology and product
- Status of basic infrastructure
- Presence of capable supporting Institutions
- Potential for Growth
- Local leadership and support within the Clusters
- Contribution to employment and exports etc.

Considerations of coverage of a wide-range of products as well as different regions of the country (especially the industrially or infrastructurally backward regions) have been given adequate weightage. It is now proposed to select atleast 20 more such Clusters in immediate future for development under the same Programme.

Officers of SIDO with suitable personality traits have been identified to act as Cluster Development Agents and they have been involved in the process right from the stage of selection of the Clusters.

The emphasis now in SIDO is on in-house capacity building by raising a committed cadre of officers well-versed with the concept, methodology and practices of Cluster Development. For this purpose, a Training-cum-Resource Cell for Cluster Development is being created in the premier training Institute of the Ministry, i.e., National Institute for Small Industry Extension Training (NISIET) at Hyderabad. Besides running cluster development programmes on its own, the Ministry would also welcome proposals from capable partner institutions (like State Governments, EDIs and institutions engaged in development of SSI) for support in design, implementation and funding of such programmes.