



## India: Green Business Center

Activity: Green Business Center Work Plan and Preliminary Design  
Program Area: Urban Energy  
Implementer: PA Government Services Inc.  
Geographic Focus: Asia & Near East  
Country: India  
Duration: April 2003 – September 2003



The Green Business Center in Hyderabad, India.

environmentally responsible building design and construction.

The Green Business Center idea was conceived by USAID/India and the Confederation of Indian Industries (CII) and codified in a joint memorandum between the U.S. and Indian governments during the Presidential visit to India in March 2000. A model clean energy/environmental center was envisioned to promote development of cleaner energy and environmental projects. In order to give shape and substance to the idea, USAID worked with the CII to develop a detailed concept and business plan for the new center. Along with a group of experts from CII, USAID and the Andhra Pradesh government, the contractor led a "design tour" of leading energy and environmental centers across the United States in the winter of 2000. This effort culminated in a plan for a center that would use market forces and business solutions to address energy, water and environmental problems. It also produced the initial design concepts for a green building to house the GBC.

### Project Background

In November 2003, the U.S. Green Business Council awarded the Green Business Center (GBC) building in Hyderabad, India its Leadership in Environment and Energy Design (LEED) 2.0 Platinum award. LEED is a voluntary, consensus-based national standard for developing high-performance, sustainable buildings. The GBC is the first building in the world to receive the Platinum LEED award, making it the most environmentally advanced building in the world. In and of itself, it will be an invaluable marketing tool for the GBC programs and an important stimulus to more



## Development Objective

The broad development objective of the GBC project is to improve the sustainability, productivity and quality of the environment in India in order to increase economic growth and improve the health of its citizens. The specific objective is to create a center of excellence within India that is capable of promoting green business practices, incubating and developing green businesses, and providing training and educational opportunities to businesses across all sectors in the areas of cleaner production, green building sciences, renewable energy, pollution prevention, energy efficiency, and other areas of environmentally responsible development.

## Approach

The approach was to create a center that could operate on a cost recovery basis and thus be financially self-sustaining. In close cooperation with the CII staff, USAID developed a business plan that provided a range of green business promotion and development services. These included conferences and seminars, training workshops, exhibition and display space in the GBC building, green business incubation services, and the operation of a green industrial park. The organizational approach was to form a public/private partnership between the CII, the government of the State of Andhra Pradesh and USAID. The roles of the partners was for USAID to provide technical expertise in formulating and shaping the plans for the center, the State of Andhra Pradesh to provide land for

building the GBC and the Green Industrial Park and use its various offices to support the GBC's programs, and for CII to staff the center and use its extensive contacts within industry to support the GBC and promote its programs.

## USAID Role in Project

Through the partnership model, USAID was able to leverage its initial funds (US\$150,000) to gain the contribution of land from the State of Andhra Pradesh (approximate value: US\$5 million), contributions from CII members (primarily the Godrej family) to build the GBC building (approximate value: US\$2 million), and staff contributions from CII of 25 full-time staff. After USAID saw that the GBC was turning out to be a highly successful project, but needed seed money for program funds, USAID worked with the CII to prepare an application for a Global Development Assistance grant. The application was successful and the CII-GBC received a US\$1.3 million matching grant for a three-year period.

## Project Partners

At the highest level, the project partners are the U.S. government and the Government of India, as agreed in a joint memorandum. The implementing project partners are USAID, the Government of the State of Andhra Pradesh, and the CII. As the project has evolved, the partnership has expanded to include the Godrej family and the architectural firm of Karan Grover. Many individuals have also given of their personal time to support the effort.



## Project Activities

The project has now been running for three years and thus there are too many activities to cover in this limited space.

The most visible activity has been the design and construction of the GBC building. This building was recently awarded the LEED (Leadership in Energy and Environmental Design) Platinum rating by the U.S. Green Building Council under its new version 2.0 and is arguably the most environmentally advanced building in the world. In and of itself, it will be an invaluable marketing tool for the GBC programs and an important stimulus to more environmentally responsible building design and construction. Other activities include an International Green Building Congress held in 2001, a Green Business Summit held in fall 2003, a Water Summit held in December 2003, many other workshops and seminars, and the continuous provision of energy audits to industrial plants.

## Project Results

The project has resulted in the creation of a dynamic, world-class center of excellence for environmentally sustainable business and business solutions to environmental problems. The new Green Business Center is already having a significant impact on the design and construction of new buildings in India, both through its conferences and promotion of LEED rating as well as through the demonstration of green building techniques in its own building. The center is expanding its programs to include

critical environmental issues such as agricultural energy and water efficiency, and is progressing toward financial viability.

## Development Impact

The GBC is already having a nation-wide impact on the attitudes of the business community toward building environmentally more responsible buildings and through its recent Green Business Summit, is beginning to influence industry opinions regarding corporate environmental responsibility. The GBC's energy audit program also continues to make steady progress in improving the energy efficiency of Indian industries. Other programs are too new to assess their impact but can be expected to be as successful as the other GBC programs. Overall, the GBC provides a model to other states in India, as well as other countries, of a successful effort to promote business solutions to environmental problems.

## Lessons Learned

The overriding lesson learned from this project is that in a liberalizing economy there are powerful market forces that USAID can tap into to help countries address developmental issues such as improving the environment and health of its citizens. Tapping these forces requires developing a positive working relationship with industry and demonstrating to businesses how environmental responsibility leads to corporate sustainability and growth.



A second lesson is in the effectiveness of public/private partnerships. In public-private partnerships, each party brings necessary resources to the project which it can provide relatively easily but which

the others cannot. This creates a healthy inter-dependence, fosters mutual respect, and vastly expands the resources available to the project, thus helping assure its success.

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