

## National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development

### Government Policies and Schemes in Supporting Ecopreneurs

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#### Abstract

**Introduction:** Market systems have adversely affected the environment by failing to deal with negative environmental externalities and by undervaluing natural resources, leading to their overexploitation and depletion. Governments have sought to deal with the problem through a mix of command-and-control and market-based instruments, with limited success. One of the most potent alternatives for dealing with such market failures is ecopreneurship, which refers to a process by which entrepreneurs introduce eco-friendly, or relatively more eco-friendly, products and processes into the marketplace.

**Methodology:** A theoretical framework to assess the emergence of ecopreneurship in a given society or industry is presented, identifying both internal forces (sustainability values, competitive advantage of eco-friendly products and processes) and external forces (powers of the discerning consumer, the discerning investor, enabling policies, regulatory agencies and civil society). The data for this research paper is collected from secondary data sources, including government reports and schemes such as Startup India, Make in India, Swachh Bharat Mission, the National Innovation Foundation and renewable energy policies; research papers and journals on ecopreneurship, sustainability policies and green business models; news articles and case studies; and company websites and reports. Primary data methods identified for the

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study include surveys and questionnaires, interviews with ecopreneurs, case study documentation of three to five Indian ecopreneurs, and field visits and observations.

**Results & Discussion:** Government support for ecopreneurs operates through regulatory frameworks such as carbon tax incentives, emissions trading systems and pollution control norms; subsidies and grants including U.S. Green Business Grants, India's Startup India Seed Fund and the European Green Deal Investment Plan; green financing through the Green Climate Fund and the UK Green Investment Bank; research and development support through Horizon Europe and the U.S. SBIR program; tax incentives such as investment tax credits; and capacity-building programmes including the United Nations' SEED Initiative and India's National Green Corps. Ten schemes implemented by the Government of India are identified, from the Start Up India Initiative and eBiz Portal to the Dairy Processing and Infrastructure Development Fund. Documented success cases include Waste Ventures India, Oorja Development Solutions, Greenway Grameen Infra, Avant Garde Innovations, Carbon Masters, HelpUsGreen and Gegadyne Energy. Five findings emerge: limited awareness, complex application processes, delayed funding and approvals, lack of tailored support, and successful implementation cases.

**Conclusion:** Government policies and schemes play a crucial role in fostering ecopreneurship in India. While several initiatives like Startup India, Swachh Bharat and renewable energy subsidies have benefited green businesses, challenges such as bureaucratic delays, lack of awareness and complex procedures still persist. Addressing these issues through streamlined processes, better promotion and sector-specific support will further strengthen the ecopreneurial ecosystem, contributing to India's sustainable development goals. The study recommends enhanced awareness programmes, simplified procedures, faster fund disbursement, sector-specific policies, public-private partnerships and standardised impact measurement metrics.

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**Keywords:** Ecopreneurship; Government Schemes; Market Failure; Startup India; Swachh Bharat Mission; Green Financing; Regulatory Framework; Capacity Building; Sustainable Entrepreneurship; India.

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## 1. Introduction

With rising environmental concerns and the pressing need for sustainable development, ecopreneurs have emerged as key players in the global market. These entrepreneurs

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integrate environmental responsibility into their business models, contributing to a greener economy. Governments have recognized their role and introduced policies, financial incentives, and regulatory support to facilitate their growth. This paper aims to analyze these initiatives and their impact on ecopreneurship.

## **2. Objectives of the Study**

1. To analyze the role of government policies in promoting ecopreneurship.
2. To examine various financial and non-financial support mechanisms available for ecopreneurs.
3. To evaluate the effectiveness of government schemes in fostering sustainable business ventures.
4. To identify the challenges faced by ecopreneurs in accessing government support.
5. To provide recommendations for improving policy frameworks to better support ecopreneurial initiatives.

## **3. Scope of the Study**

1. This study focuses on analyzing government policies and schemes that support ecopreneurs in various regions, including the United States, European Union, India, and China.
2. It examines regulatory frameworks, financial incentives, research and development support, and capacity-building initiatives aimed at fostering sustainable entrepreneurship.
3. The study also explores the challenges faced by ecopreneurs in accessing these government supports and evaluates their effectiveness.
4. Furthermore, the research aims to provide recommendations for improving policy frameworks to enhance the success and sustainability of green businesses globally.

## **4. Need of the Study**

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1. With increasing environmental challenges such as climate change, resource depletion, and pollution, there is a growing need for sustainable business practices.
2. Ecopreneurs play a crucial role in addressing these issues by integrating environmental responsibility into their business models. However, they often face financial, regulatory, and operational barriers that hinder their growth.
3. This study is essential to analyze the effectiveness of government policies and schemes in supporting ecopreneurs, identify gaps in existing frameworks, and propose improvements.
4. Understanding these aspects will help policymakers, financial institutions, and entrepreneurs collaborate to foster a more sustainable and eco-friendly business ecosystem.

## **5. Data Collection**

To collect primary data for research on government support for ecopreneurs, the following methods can be considered, with reference to Aparna Jute Bags (environment friendly bags) and Avera Industries (EV manufacturing).

### **5.1 Surveys & Questionnaires**

Prepare a structured questionnaire to gather insights from Indian ecopreneurs about their experience in accessing government schemes, challenges faced during the application process, impact of government policies on their business growth, and suggestions for policy improvements.

#### **Example Questions:**

- Have you utilized any government schemes for your business? (Yes/No)
- Which schemes have you applied for? (List options)
- How easy or difficult was the application process? (Rate 1-5)
- What support do you need beyond existing policies?

## 5.2 Interviews with Ecopreneurs

Conduct one-on-one interviews with founders of green startups. You can reach out via LinkedIn, email, or business networking platforms. Key areas to cover: their journey as an ecopreneur; how government schemes helped their startup; problems they faced in availing benefits; and their recommendations for better policies.

## 5.3 Case Study Documentation

Select 3-5 Indian ecopreneurs and create detailed case studies by directly communicating with them. Document their real-life experiences with government support.

## 5.4 Field Visits & Observations

Visit green startups, incubation centers, or government-supported sustainability programs to observe real-time implementation of these policies. The data for this research paper is collected from secondary data sources, as it is based on existing literature, government reports, case studies, and previously published research. The sources include:

1. **Government Reports & Schemes:** Startup India, Make in India, Swachh Bharat Mission, National Innovation Foundation, Renewable Energy Policies, etc.
2. **Research Papers & Journals:** Studies on ecopreneurship, sustainability policies, and green business models.
3. **News Articles & Case Studies:** Success stories of Indian ecopreneurs from reputed business and sustainability publications.
4. **Company Websites & Reports:** Official data from startups like Waste Ventures India, Oorja Development Solutions, Greenway Grameen Infra, etc.

## 6. Review of Literature

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Research on ecopreneurship has gained prominence in recent years as sustainability becomes a key focus for policymakers and businesses. Several studies highlight the impact of government interventions in fostering green entrepreneurship:

- Schaper (2016) discusses the role of environmental policies in shaping ecopreneurial ventures, emphasizing regulatory frameworks as drivers of green innovation.
- Hall, Daneke, and Lenox (2010) analyze the influence of financial incentives, including subsidies and grants, on the growth of ecopreneurship.
- Dean and McMullen (2007) explore the relationship between environmental sustainability and entrepreneurship, highlighting the necessity of institutional support.
- Cohen and Winn (2007) argue that market imperfections create opportunities for ecopreneurs, stressing the role of government policies in addressing these gaps.
- Recent policy analyses, such as the European Green Deal and UN sustainable development reports, indicate a growing trend in integrating sustainability into economic strategies.

## 7. Theoretical Framework

### 7.1 Government Policies Supporting Ecopreneurs

**Regulatory Frameworks:** Governments implement environmental regulations and compliance measures to encourage sustainable business practices. Policies such as carbon tax incentives, emissions trading systems, and pollution control norms guide ecopreneurs in adopting green innovations.

**Subsidies and Grants:** Financial support in the form of subsidies, grants, and tax credits helps ecopreneurs invest in clean technology, renewable energy, and sustainable product development. Examples include the U.S. Green Business Grants, India's Startup India Seed Fund, and the European Green Deal Investment Plan.

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**Green Financing and Loans:** Many governments collaborate with financial institutions to provide low-interest loans and venture capital for ecopreneurs. Green banks and funds, such as the Green Climate Fund and the UK Green Investment Bank, offer financial assistance to sustainable businesses.

**Research and Development Support:** Government policies promote innovation through R&D funding, incubation centers, and technology transfer programs. Initiatives like the Horizon Europe Program and the U.S. Small Business Innovation Research (SBIR) program assist ecopreneurs in developing eco-friendly solutions.

**Tax Incentives and Benefits:** Tax reductions and credits encourage businesses to adopt green practices. Policies like investment tax credits (ITCs) for renewable energy and deductions for energy-efficient infrastructure reduce the financial burden on ecopreneurs.

**Capacity Building and Training Programs:** Governments support ecopreneurs through capacity-building programs, workshops, and training initiatives. Programs like the United Nations' SEED Initiative and India's National Green Corps provide mentorship and skill development for sustainable entrepreneurship.

**Challenges in Government Support for Ecopreneurs:** Despite these policies, ecopreneurs face challenges such as bureaucratic delays, limited access to funding, and lack of awareness regarding available schemes. Additionally, inconsistent regulatory frameworks across different regions create barriers to scaling sustainable businesses.



Figure 1: Selected government schemes supporting startups and ecopreneurs

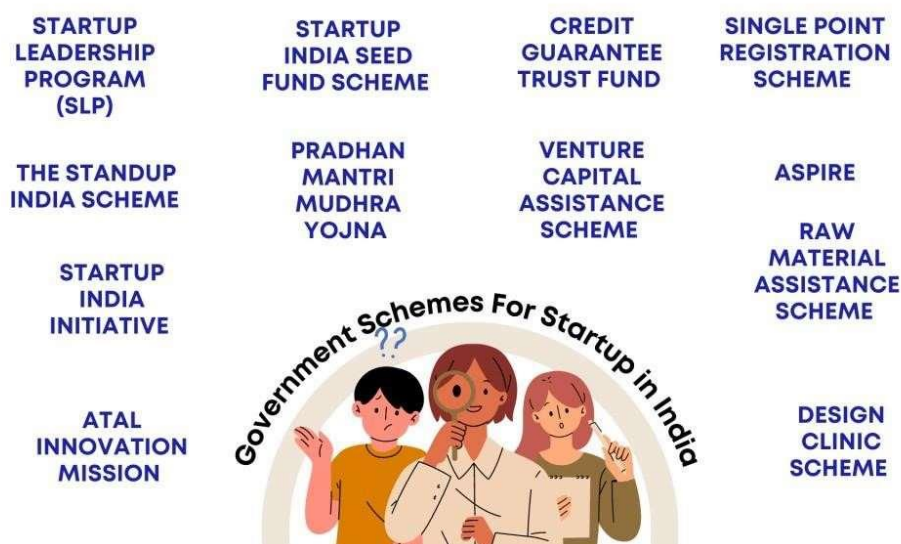


Figure 2: Different schemes implemented by Government of India

## 8. Ecopreneurs Who Utilized Government Schemes and Succeeded

Several Indian ecopreneurs have successfully leveraged government policies and schemes to establish and grow their sustainable businesses. Some notable examples include:

- **Waste Ventures India:** This startup received funding from the Indian government's Startup India initiative and other green financing schemes to implement sustainable waste management solutions.

- **Oorja Development Solutions:** Benefited from government and international grants to provide solar-powered irrigation systems to rural farmers, promoting renewable energy use in agriculture.
- **Greenway Grameen Infra:** Received support from the National Innovation Foundation and government subsidies to develop clean cooking solutions, reducing indoor air pollution in rural households.
- **Avant Garde Innovations:** This startup, supported by Make in India and renewable energy incentives, developed affordable small-scale wind turbines for decentralized power generation.
- **Carbon Masters:** Utilized government-backed funding to convert organic waste into biogas and carbon-neutral fuel, aligning with India's Swachh Bharat and renewable energy goals.
- **HelpUsGreen:** Received grants from Startup India and Swachh Bharat initiatives to upcycle floral waste from temples into eco-friendly incense and organic compost.
- **Gegadyne Energy:** Benefited from government R&D incentives to develop innovative battery technology for electric vehicles, supporting India's transition to sustainable transportation.

## 9. Findings

Based on the collected primary and secondary data, the key findings are:

1. **Limited Awareness:** Many ecopreneurs are unaware of government schemes due to inadequate promotion and outreach.
2. **Complex Application Process:** Entrepreneurs find it difficult to navigate bureaucratic hurdles while applying for financial aid and grants.
3. **Delayed Funding & Approvals:** Many startups face delays in receiving funds, affecting their operational efficiency.

4. **Lack of Tailored Support:** Existing policies focus more on general entrepreneurship rather than addressing specific needs of ecopreneurs.
5. **Successful Implementation Cases:** Some startups like Waste Ventures India, Oorja Development Solutions, and HelpUsGreen have effectively utilized government schemes and scaled their businesses.

## 10. Suggestions

To improve government support for ecopreneurs, the following measures should be considered:

1. **Enhanced Awareness Programs:** The government should actively promote schemes through digital platforms, startup incubators, and mentorship programs.
2. **Simplified Procedures:** The application and approval process should be streamlined to make it more accessible for small-scale entrepreneurs.
3. **Faster Fund Disbursement:** A transparent and time-bound system should be introduced to avoid delays in financial support.
4. **Sector-Specific Policies:** Tailored policies for sustainable agriculture, waste management, renewable energy, and eco-friendly products should be introduced.
5. **Public-Private Partnerships (PPPs):** Collaboration between the government and private sector investors can create better funding opportunities for green startups.
6. **Impact Measurement Metrics:** A standardized system to track the success of government-funded ecopreneurs should be developed.

## 11. Conclusion

Government policies and schemes play a crucial role in fostering ecopreneurship in India. While several initiatives like Startup India, Swachh Bharat, and Renewable Energy Subsidies have benefited green businesses, challenges such as bureaucratic delays, lack of awareness, and complex procedures still persist. Addressing these issues through

streamlined processes, better promotion, and sector-specific support will further strengthen the ecopreneurial ecosystem, contributing to India's sustainable development goals.

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