



National Productivity and Competitiveness Council

ANNUAL REPORT 2016-2017

Fostering a culture
of Productivity in the
Republic of Mauritius

www.npccmauritus.org

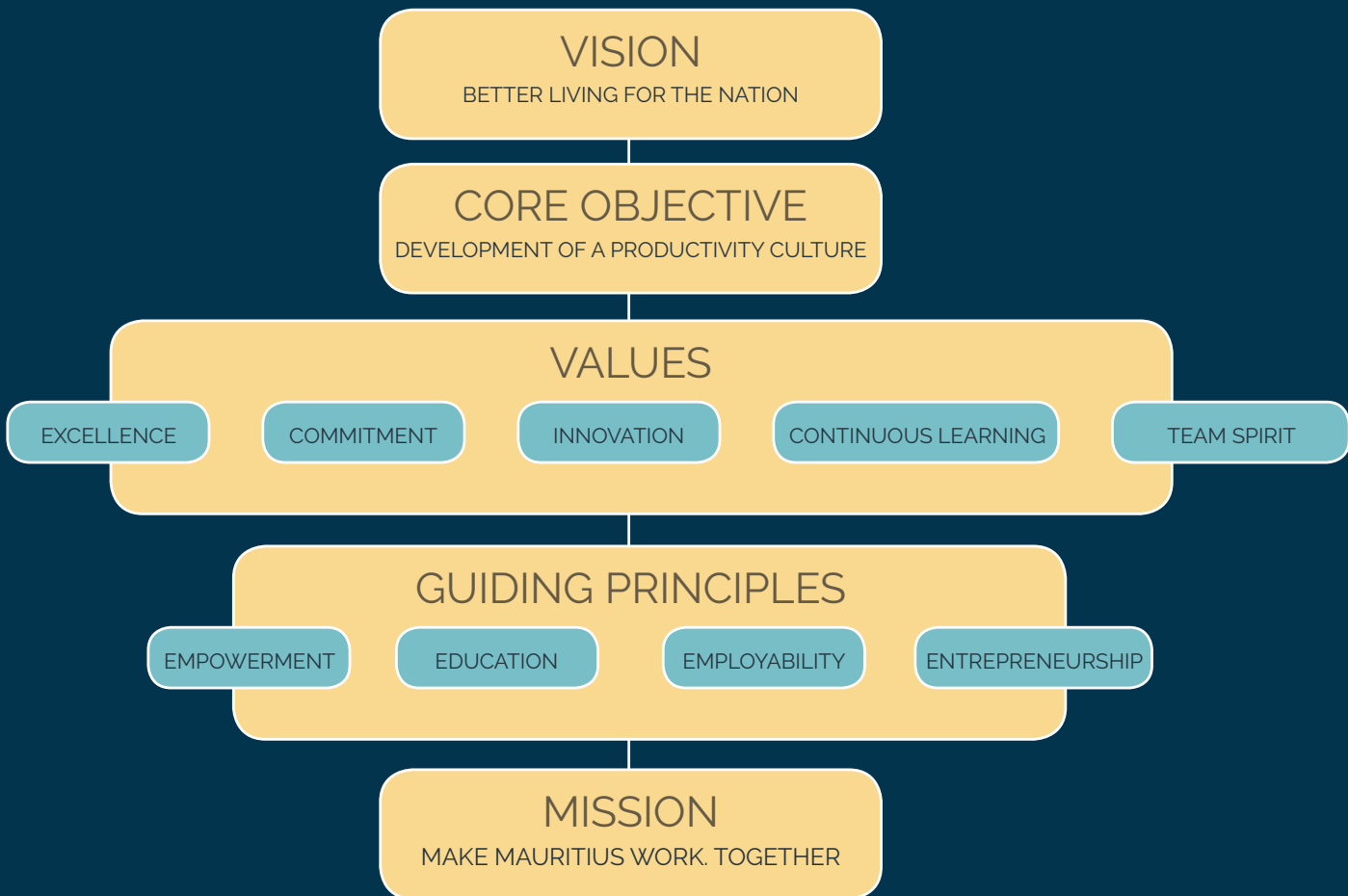


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THE COUNCIL SHALL:

- Provide the forum for constant dialogue and consensus building on all matters relating to productivity, quality and competitiveness;
- Advise government on the formulation of national policies and strategies on all aspects of productivity, quality and competitiveness;
- Promote and develop greater productivity and quality awareness and consciousness amongst the public, and organise awards to recognise individuals, teams and organisations for their outstanding achievements in quality and productivity;
- Inculcate new values and attitudes in the country regarding productivity, quality and competitiveness;
- Identify constraints to the improvement of productivity, quality and competitiveness and propose remedial measures;
- Monitor and coordinate programmes and activities relating to the improvement of productivity, quality and competitiveness;
- Collect, analyse, produce and disseminate data on the measurement of, and changes in, productivity, economy-wise and by sector and industry;
- Arrange for consultancy services in the areas of productivity and quality management and related fields;
- Promote and undertake research, including training, in all aspects of productivity, quality and competitiveness;
- Liaise and establish linkages with research institutions and productivity organisations in Mauritius and abroad
- Serve as focal point on all matters relating to productivity, quality and competitiveness;
- Act as resource centre for published works on productivity, quality and competitiveness issues;
- Organise conferences and policy seminars on productivity, quality and competitiveness;
- Constitute such productivity committees and co-opt such persons, as it may deem necessary, to such committees, define their objectives, broad terms of reference and the means of their function;
- Request the productivity committees to carry out studies, prepare opinion statements, reports and information bulletins within the scope of their powers; and
- Do such things as may be incidental to, and consequential upon, the discharge of its functions under this act.





**LETTER
FROM THE CHAIRMAN**

LETTER FROM THE CHAIRMAN



Hon. Dharmendar SESUNGKUR,
Minister of Financial Services and Good Governance.

Dear Minister,

In accordance with paragraph 18 of the National Productivity and Competitiveness Council (NPCC) Act 1999, I have the honour to submit to you the annual report of the NPCC, for the year 2016-2017.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'S. Mulloo'. The signature is stylized and written in a cursive-like font.

S. Mulloo
Chairman



**PERFORMANCE REPORT
FROM THE OFFICER IN CHARGE**

PERFORMANCE REPORT FROM THE OFFICER IN CHARGE

Productivity is the fuel that makes the economic engine hum and one of the keys to sustaining growth in living standards. As the global and Mauritian economy kept showing signs of recovery in 2016- 2017. A period of intense activity has been witnessed at the National Productivity and Competitiveness Council (NPCC). Focussing on priorities enumerated in the strategic plan 2016-2019, we worked relentlessly to fulfil stakeholders' expectations. Feedback from our customers continues to improve and more organisations and people in Mauritius and Rodrigues are soliciting our collaboration and joining the productivity movement.

By continuously simplifying how we do things and innovating to adapt to changing trends, I believe we have the right strategy in place to unleash the full potential of our citizens to better our lives.

This report does not only provides a record of the progress we have made during the period January 2016 to June 2017, but also illustrates clearly what a wide remit we fulfil to deliver our overarching strategic objective of building a culture of productivity in the Republic of Mauritius.



The way to increase our productivity is to make people more creative, resourceful, and innovative in the things they do.

John Sculley



HIGHLIGHTS 2016-2017

Future of Productivity- the sustainable path

The anaemic recovery after the global financial crisis reiterates the pressing need to increase productivity to revive growth. How to enhance productivity under prevailing conditions is a question mark for everyone. To shed light on this crucial topic, NPCC collaborated with the Asian Productivity Organisation (APO) and the Pan African Productivity Association (PAPA) to organise an interactive seminar on the 'Future of Productivity'. Asian Productivity Organisation (APO) Secretary-General, Dr. Santhi Kanoktanaporn, the main speaker for the seminar, emphasized the importance of focusing on sustainable productivity. It is based on the premise that: "Excellence in productivity no longer guarantees that an organization will survive and thrive in the world of constant change and uncertainty.

To be resilient, organizations must take a long-term view to develop future readiness strategies, taking actions to address risks and seize opportunities to build productivity growth that can fit into and be sustained in the highly uncertain, highly complex future." The seminar also brought together professional speakers and participants with diverse background and experience to debate about the issue of the future of productivity.

E- Knowledge Centre

To keep pace with the new developments in knowledge management, NPCC's knowledge centre has been transformed into an e-knowledge centre. The e-knowledge centre offers a unique repository containing a huge collection of latest publications and documents on productivity, quality and other related fields.

Knowledge Exchange Platform

In a bid to make knowledge on productivity, quality and competitiveness accessible to everyone, NPCC launched its 'Knowledge Exchange: Feed your mind' project. Knowledge exchange sessions, led by experts and encompassing latest trends in productivity management are being held on a monthly basis during lunch time for members of the public.

Compendium of productivity and competitiveness indicators

NPCC published its second "Productivity and Competitiveness Review" which presents an overview of recent trends in productivity and competitiveness. The document was shared with stakeholders from the public and private sector and civil society organisations with the intention of guiding policy choices to be made to foster growth. This year, a special chapter analysing evolving trends in Rodrigues has been included in the publication.

“Excellence in productivity no longer guarantees that an organization will survive and thrive in the world of constant change and uncertainty...”

PERFORMANCE REPORT FROM THE OFFICER IN CHARGE

Grooming Young Leaders

At the NPCC, we firmly believe that as Mauritius envisions becoming a high-income, globally competitive and innovation-led economy, the need of a pipeline of leaders at all levels is crucial. In the last annual report, I announced that NPCC is implementing the 'Grooming Young Leaders' pilot project with the support of the U.S. Embassy to nurture a new breed of young Mauritian leaders. During the current fiscal year, we successfully completed the project and the feedback we received from participants is overwhelming. Going forward, we shall partner with the Ministry of Youth and Sports to implement a national leadership engine project on leadership which will focus on empowering our youth to play a more engaged role in community development and moulding them to become dynamic and inspired future leaders.

Development of strategic plan to enhance productivity and competitiveness in Rodrigues

In view of the need of improving productivity and quality in Rodrigues to boost economic growth, special consideration has been given to Rodrigues by NPCC in our Strategic Plan 2016-2019. In the last fiscal year, we collaborated with the Rodrigues Regional Assembly (RRA) to formulate a "Strategic Action Plan to enhance productivity and competitiveness in Rodrigues" with the support of the relevant stakeholders; including representatives from the public and private sector, trade unions, non-governmental and community-based organisations of Rodrigues. A Productivity Committee (PC) was set up in Rodrigues to oversee and coordinate the overall execution of the strategic plan. The Chairperson of the Rodrigues Productivity Committee has been co-opted in the National Productivity and Competitiveness Council (NPCC).

Powering enterprise productivity

A thriving indigenous industry is central to Mauritius' continued economic growth. High productivity and quality levels are essential if our enterprises are to sustain performance against robust competition. To this end, we implemented productivity and quality improvement programmes in 65 companies last year. Many of our existing clients rekindled their trust in us and we continued building a pipeline of empowered productivity champions who will as change agents, help companies to improve their operational efficiency and productivity. Furthermore, we are providing support to companies in the organisation of their annual quality and innovation circles award.

"To this end, we implemented productivity and quality improvement programmes in 65 companies last year."

We consolidated our partnership with Enterprise Mauritius to embed a culture of quality, innovation and sustainable improvement in 18 recipient companies, thereby establishing a base from which they can further develop products and services, competitiveness and ultimately export sales.

We also collaborated with the Association of Mauritian Manufacturers (AMM) to conduct awareness sessions on quality during workshops organised by AMM to provide support to small and medium enterprises which do not do not obtain 60% of conformance in any of the following areas: Management Commitment, Production, Marketing/branding, Staff Welfare and Best practices during audits conducted by SGS in the context of obtaining membership for the Made in Moris brand.

Model company project

The Government of Japan, through the Japan Productivity Centre (JPC) has reiterated its collaboration to implement the model company project which was first initiated in 2006. The objective of the model company project is building the capacity of the staff of national productivity organisations to implement productivity improvement programmes and instigating companies to embrace productivity tools and concepts. The NPCC is currently working with three companies under the Model Company project namely, Axxess of ENL Group, Scomat of IBL Group and Rey Lenferna, the results and findings of which will be showcased in June 2018 during a public seminar.

Service blue-print for Child Development Unit (CDU)

NPCC collaborated with the Child Development Unit of the Ministry of Gender Equality, Child Development and Family Welfare to develop a service blue-print for the section with the objective of improving operational efficiency. As part of the project, capacity building programmes were held for officers of CDU to empower them to use problem solving techniques to implement productivity improvement projects.

Green Industry

Although the term "green industry" is relatively new, the concept of environmentally responsible and sustainable industrial development has for many years been at the core of NPCC's intervention under its green productivity agenda. In order to take green tourism forward, NPCC collaborated with the Association des Hotels de Charme, under the project "Greening the Mauritian Tourism Industry" funded by EU/UN/Switch Africa fund to conduct a gap analysis in thirty hotels in Mauritius and Rodrigues to gauge their readiness to go green. This was followed by capacity building programmes to spread the green philosophy across these hotels so as to leverage Mauritius as an eco-destination.

InnovEd for Vocational Stream

At the NPCC, we firmly believe that as Mauritius strengthens its position on the global map, the need for vocational skills is crucial. We should hone all our talents and prod all our students to be creative and imaginative for the economy to be competitive.

In this context, we partnered with the Mauritius Institute of Training and Development (MITD) to implement the InnovEd (Innovation for the Education) project in 2016. Students from the vocational stream had the opportunity to showcase their innovative skills during an exhibition organised at Ecole Hotelier Sir Gaetan Duval in May this year. The outstanding projects were also rewarded to celebrate the innovative talents of students.

We also launched the InnovEd 2017 edition for secondary and MITD students. So as to keep abreast with online learning, our 2017 edition training and follow-up with participants is now being hosted on an e-learning platform.

ICT and Entrepreneurship Development

ICT Entrepreneurship is increasingly playing a central role in virtually all national socio-economic agenda today. NPCC is collaborating with E-Inclusion Foundation and the University of Mauritius (UOM), to implement the ICT for innovation and entrepreneurship project with the objective of leveraging ICT to improve productivity in enterprises. The project which is being implemented on a pilot basis is empowering a group of 18 students to develop an entrepreneurship project based on the latest technologies such as Internet of things.

Insights on Creative Industries

The creative economy is not only one of the most rapidly growing sectors of the world economy, it is also a highly transformative one in terms of income generation, job creation and export earnings. NPCC collaborated with the Ministry of Arts and Culture to organise a high-level discussion session to reflect upon the scope and future of the creative industry in Mauritius.

Community Strategic Plan for Cité Ste Catherine

In line with its mandate of promoting productivity consciousness at all levels, Integrated community development has always stood high on the agenda of the NPCC. Last year, we extended our support to ENL Foundation to facilitate the development of a strategic plan to uplift the condition of the inhabitants of Cité St Catherine. As was the case in our earlier community projects, a participatory approach was used to design the strategic plan to promote ownership of the plan and ease implementation.

PERFORMANCE REPORT FROM THE OFFICER IN CHARGE

Entrepreneurship Education

In our endeavour to promote entrepreneurship as a driver of growth, NPCC collaborated with the Ministry of Education and Human Resources and Microsoft Indian Ocean and French Pacific to conduct a training of trainers workshop targeted at fifteen educators implementing the "Build your Business" program at the level of the ministry.

English Literacy Using Information Technology (ELIT)

Our commitment to enable grassroots to achieve their potential continued to drive our work at the NPCC in 2016-2017. One of our most important goals is to expand access to the benefits of information technology to the vulnerable groups, particularly women. It is interesting to note that since we launched the ELIT (English Literacy Using Information Technology) project in 2005, the number of beneficiaries has been increasing steadily. Last year, about 80 participants enrolled for the programme.

Productivity Branding to Inspire

NPCC collaborated with the Employees Welfare Fund (EWF) to brand and up-lift the image of the health track and recreation facilities being set up at the St. Felix Public Beach. Inspiring productivity quotes were used as a major part of this branding exercise to spark users to be more productive and innovative.

Building momentum for Productivity and Quality Improvement

Over the past year, we have broadened and expanded our support to public and private organisation, cementing our place as a key training provider in the area of productivity and quality improvement.

Learning from Best Practices

As part of our commitment to invite prestigious, world –known gurus to share their knowledge and expertise with local organisations to enable them to learn from best practices, we invited Professor Debashis Chatterjee from Indian Institutes of Management (IIM), Lucknow, to deliver a workshop on the theme "Timeless Leadership." The aim of the workshop was to foster the

leadership skills of captains of public and private organisation in Mauritius to enable them to better sail through rough and tough times and emerge out as timeless leaders. About 250 participants attended the workshop.

Professor Chatterjee also led a workshop collaboratively organised by NPCC and the Ministry of Education and Human Resources for about 500 education leaders on the theme "Alchemy of Learning."

In the same vein, we invited Ketan Varia, founder of Kinetik Solutions, a U.K based company, to conduct training in advance change management and Actionable Analytics for Process Excellence. About 25 participants attended the capacity building sessions.

Hosting Pan African Productivity Association (PAPA) Training Programme and Third Country Program -Action Plan Conference

Given Japanese government's further commitment to expand KAIZEN and to develop industrial human resources in Africa, as declared by Japanese Prime Minister Mr. Shinzo Abe during TICAD VI in August 2016, the NPCC hosted a 10-day training course on the Development of Advance Productivity Practitioners on behalf of the PAPA in February 2017. This was a premier for NPCC since in the previous years, such programmes was hosted by South Africa. The training which was wholly funded by the Government of Japan attracted 31 productivity practitioners from PAPA member countries including Botswana, Burkina Faso, Mauritius, Namibia, South Africa, Tanzania, Zambia and Zimbabwe.

Along the same line, NPCC also hosted the Third Country Program- Action plan Conference organised by the Japan Productivity Centre in the context of the renewal of technical support to PAPA member countries as part of TICAD VI. 25 heads of national productivity organisations and high government officials from PAPA member countries attended the conference.

Upgrading Export Capability

NPCC re-extended its support to Enterprise Mauritius to conduct capacity building programmes for companies enrolled in the Go-Export programme last year. This project aims to upgrade the export capability of local firms.

Building Soft Skills

We renewed our collaboration with the Ministry of Gender Equality, Child Development and Family Welfare to empower about 150 women to sharpen their skills as entrepreneurs and community leaders.

Igniting Young Minds

As part of its strategy to catch them young, so that they grow up as productivity conscious individuals, we continued dispensing courses for students during the year under review. Our 'Plug your Brain' course, designed to teach students to think creatively and critically and nurture their problem solving skills attracted about 37 participants. We introduced a new course titled 'Today's Teens Tomorrow's Leaders' with the objective of honing the leadership skills of students and empowering them to work more effectively in teams. This course attracted some 77 students.

In the same vein, we collaborated with secondary schools in Mauritius to deliver leadership for teen's courses for about 120 students.

Outlook 2017-2018

The steps we are taking are making a difference to the productivity movement and we are making progress. Next year promises to be busy again. We are optimistic about the future and committed to further communicating our achievements through our forthcoming publications and presence in the media. Over the past year, our stakeholders across every sector have faced unprecedented levels of change as a result of Brexit, the uncertain geopolitical and economic environment and the impact of new and emerging technology. So as to continue being relevant, we shall go the extra mile to support our stakeholders through this changing, turbulent environment.

To this effect, the second Competitiveness Foresight will be organised early in the next financial year to trigger thinking and provide a platform to key stakeholders from the public, private sector, Trade Unions, Civil Society and other relevant sectors to reflect upon the current competitiveness status of the country and design strategies to initiate the transformation of the country into a more competitive and resilient economy. This exercise will be facilitated by Mr Abdulla Verachia, Chief Executive Officer of the Strategists (PTY) Ltd.

It is also clear that enhancing productivity and competitiveness requires multi-stakeholder platforms and partnerships in synergy with the public and the private sectors and civil society. As the organisation mandated to raise productivity consciousness in Mauritius, we look forward to forging more collaborations and partnership with both local and international stakeholders to move ahead together to achieve the Sustainable Development Goals of the United Nations and Agenda 2063 of the African Union.

PERFORMANCE REPORT FROM THE OFFICER IN CHARGE

Acknowledgements

None of our achievements would be possible without the commitment and support of people and organisations we work with.

I wish to express gratitude to The Hon Dharmendar SESUNGKUR Minister of Financial Services and Good Governance, for his full fledge support to the NPCC.

I thank the Chairman and Council members of NPCC, for their faith in entrusting me with the mammoth task of steering the ship during this period of change the global economy and Mauritius is going through.

I am also grateful to all our local and international partners for trusting NPCC and look forward to the united and continuous support of all stakeholders to ensure that NPCC advances its role of building a culture of productivity in Mauritius.

I am thankful to the Rodrigues Regional Assembly for rallying the Rodriguan population to the productivity movement.

None of our achievements would be possible without the skills and commitment of the NPCC staff. 2016- 2017 has been a year marked by key recruitments. While I salute the efforts made by new recruits and welcome them to the team, I would like to place on record my special thanks to other staff members and the management team for their continued engagement.



D. Appalswamy
Officer in Charge

“

The productivity
of work is not the
responsibility of the
worker but of the
manager

Peter Drucker

”



**CORPORATE
GOVERNANCE**

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDING 30TH JUNE 2017

The National Productivity and Competitiveness Council (NPCC) was established as a corporate body under the NPCC Act no 9 of 1999 which was amended by the Economic and Financial measures (miscellaneous provisions) act No 27 of 2012. Its object is to stimulate and generate productivity and quality consciousness, drive the productivity and quality movement in all sectors of the economy, enhance the country's competitiveness and raise national output with a view to achieving sustained economic growth. The functions are laid out in the Act.

COMPLIANCES AND ENFORCEMENT

The NPCC is fully committed to attaining and maintaining the highest standards of corporate governance and is gradually taking action within its ambit to ensure compliance with the Code of Corporate Governance for Mauritius issued by the National Committee on Corporate Governance as applicable to state owned enterprises.

BOARD OF DIRECTORS

The NPCC Act (amended) makes provision for a Council.

As per the act, the Council shall consist of :-

- (a) A Chairperson;
- (b) A Vice-Chairperson;
- (c) One member representing the interests of Government;
- (d) One member representing the interests of employers;
- (e) One member representing the interests of the federations of trade unions; and
- (f) Not more than 2 members drawn from industry associations and consumer organisations.

OPERATIONS OF THE COUNCIL

The Council meets at the request of the Chairman. Meetings of the Council and Committees are scheduled in advance. Papers are circulated before each meeting. The NPCC operates in an independent way although it receives funding through the Government budget.

PROFILE OF COUNCIL MEMBERS From January 2016 to June 2017

Mr. Sanjiv MULLOO is the CEO of Quad Printers Ltd. He is a knowledgeable and conscientious supplier of print and communication services and has always performed and delivered by creating value for his customers and stakeholders. Mr. Mulloo believes staunchly in the African Renaissance. He is known to be a decision maker and a people's person. He is also an executive coach in leadership. He loves his country and believes in the potential of Mauritius to rise as a power in the region. Mr Mulloo was appointed Chairman of the NPCC on 23rd September 2015.

Mr Dharmanjay Singh TOWOKUL is the director of Whitegate Agencies Ltd. He is a dedicated and successful insurance agent with strong relational capital and specialises in advising clients on mitigating motor vehicle and accident risk. His success in the insurance field is mainly attributed to his knowledgeable and compassionate services to clients and his ability to continuously motivate his team. Mr Towokul holds a B.Com degree in Management and Accountancy from Bombay University. Mr Towokul was appointed Vice Chairman of the NPCC on 8th October 2015.

MEMBER, REPRESENTING THE INTERESTS OF GOVERNMENT (MINISTRY OF FINANCIAL SERVICES, GOOD GOVERNANCE AND INSTITUTIONAL REFORMS)

Mrs. Nulini Devi KINNOO was Assistant Permanent Secretary at the Ministry of Financial Services, Good Governance and Institutional Reforms. Mrs Kinnoo holds a BSc (Hons) in Human Resource Management from the University of Technology Mauritius, an MBA in Human Resource with Knowledge Management, as well as a Post Graduate Diploma in Human Resource Planning and Development from the Institute of Applied Manpower Research, New Delhi. She was nominated Council Member on 3 November 2015 up to 22 June 2017.

She was replaced by Mrs. Bandeene Sibdoyal, Deputy Permanent Secretary at the Ministry of Financial Services, Good Governance and Institutional Reforms.

MEMBER REPRESENTING THE INTERESTS OF PRIVATE SECTOR

Mr. Pradeep DURSUN is the Chief Operating Officer of Business Mauritius since November 2015. He was previously the Acting Director of the Mauritius Employers' Federation. Mr Dursun reckons more than 10 years of service at the association and was formerly the Human Resource and Industrial Relations Adviser. He has a multidisciplinary background having studied social sciences, law and human resource management and industrial relations. He represents the association on several bodies and has wide experience as a trainer in the field of industrial relations and employment law. Mr Dursun was nominated Council member on 8th October 2015.

MEMBER REPRESENTING THE INTEREST OF THE FEDERATION OF TRADE UNIONS

Mr. Rashid IMRITH is the President of the Fédération des Syndicats du Secteur Public (FSSP). He was nominated Council Member on 8th October 2015.

MEMBERS DRAWN FROM INDUSTRY, ASSOCIATIONS AND CONSUMER ORGANISATIONS

Mr. Jayen CHELLUM is the General Seretary of Association des Consommateurs de l'Ile Maurice (ACIM) and was nominated Council member on 8th October 2015 up to 19 June 2017.

He was replaced by Mr. Ahmud Macky.

Mrs. Danielle WONG, CSK is a member of the Mauritius Institute of Directors and has also been a member of the American Society for Quality as well as of the World Quality Council. She has a wide experience in the EPZ sector and has participated in different textile conferences in Paris, London, Dusseldorf, Kenya, Addis, Ababa, Ethiopia, Botswana and South Africa. She was elevated to the rank Commander of the Order of the Star and Key of the Indian Ocean (CSK) for her contribution to the industrial sector by the Government of Mauritius in 2012. She holds a degree in International Law. She has been the director of the Mauritius Export Association from 1988 to 2014. Mrs Wong was nominated Council member on 8th October 2015.

SUB COMMITTEES OF THE COUNCIL

In line with good corporate governance practices, the Council has set up a Finance Committee, a Human Resource Committee and a Corporate Governance Committee.

THE FINANCE COMMITTEE

The Finance Committee consists of four (4) members of the Council as follows:-

1. Mrs. Nulini Devi Kinnoo (Chairperson up to 22 June 2017) - Replaced by Mrs. Bandeenee Sibdoyal
2. Mr. Dharmanjay Singh Towokul
3. Mr. Pradeep Dursun
4. Mr. Rashid Imrith

The responsibilities of the Finance Committee are as follows:-

- 1.1 Responsible for procurement and inter alia examine bids above Rs 100,000 and make recommendations to the council for award of contracts;
- 1.2 To examine the annual estimates and to make recommendations to the Council accordingly;
- 1.3 To make any other recommendations of a financial nature to the Council.

In view of the fact that the NPCC is a small organisation, the Finance Committee acts as the Audit Committee as well and -

- 1.4 Oversees the establishment and implementation of accounting policies and internal controls that promote good financial stewardship;
- 1.5 Inquires into how the business risks of the NPCC are being planned for and managed for instance assessing the adequacy of its insurance coverage;
- 1.6 Oversees compliance with regulatory standards;
- 1.7 Examines the final accounts and the annual report to ensure compliance prior to recommending to Council for approval and onward transmission to the external auditors;
- 1.8 Receives and acts upon the results of the external audit and reporting same to the Council.

CORPORATE GOVERNANCE

THE HUMAN RESOURCE COMMITTEE

The Human Resource Committee consists of 4 members of the Council as follows:-

1. Mr Rashid Imrith (Chairperson)
2. Mr. Dharmanjay Singh Towokul
3. Mrs. Danielle Wong
4. Mr. Jayen Chellum (Up to 19 June 2017) Replaced by Mr. Ahmud Macky

The responsibilities of the Human Resource Committee are:-

1. Examine all staff matters in particular relating to recruitment, promotion, allowances, salary review and make recommendations to the Council for approval.
2. Advise the Council on matters relating to employment policy/strategies, human resource development etc.
3. Examine employee grievances and make recommendations to the Council.

THE CORPORATE GOVERNANCE COMMITTEE

A Corporate Governance Committee was set up in July 2016 in view to put in place a Governance Framework.

The Corporate Governance Committee consists of four (4) members of the Council as follows:-

1. Mrs. Danielle Wong (Chairperson)
2. Mr. Jayen Chellum (Up to 19 June 2017, replaced by Mr. Ahmud Macky)
3. Mrs. Nulini Devi Kinnoo (Up to 22 June 2017, replaced by Mrs. Bandeennee Sibdoyal)
4. Mr. Sanjiv Mulloo

Statement of Attendance to Council meetings (January 2016 to June 2017)

NO. OF COUNCIL MEETINGS HELD: 17	NO. OF MEETINGS ATTENDED
Mr. Sanjiv MULLOO (Chairperson) Mr. D. TOWOKUL (Vice Chairman)	17 16
MEMBER REPRESENTING THE INTERESTS OF GOVERNMENT (MINISTRY OF FINANCIAL SERVICES, GOOD GOVERNANCE AND INSTITUTIONAL REFORMS) Mrs. Nulini Devi KINNOO (up to 21 June 2017) Mrs. Bandeennee SIBDOYAL (as from 22 June 2017)	16 1
MEMBER REPRESENTING THE INTERESTS OF PRIVATE SECTOR Mr. Pradeep DURSUN	14
MEMBER REPRESENTING THE INTEREST OF THE FEDERATION OF TRADE UNIONS Mr. Rashid IMRITH	17
MEMBERS DRAWN FROM INDUSTRY, ASSOCIATIONS AND CONSUMER ORGANISATIONS Mrs. Danielle WONG, CSK Mr. Jayen CHELLUM (up to 18 June 2017) Mr. Ahmud MACKY (as from 19 June 2017)	11 11 -

Statement of Attendance to Finance Committee meetings

NO. OF FINANCE COMMITTEE MEETING HELD: 6	NO. OF MEETINGS ATTENDED
Mrs. Nulini Devi KINNOO (Chairperson up to 21 June 2017) Mrs. Bandeennee SIBDOYAL (Chairperson as from 22 June 2017) Mr. Mr. Dharmanjay Singh TOWOKUL Mr. Pradeep DURSUN Mr. Rashid IMRITH	5 - 6 5 6

Statement of Attendance to Human Resource Committee meetings

NO. OF HUMAN RESOURCE COMMITTEE MEETINGS HELD: 17	NO. OF MEETINGS ATTENDED
Mr. Rashid IMRITH (Chairperson)	17
Mr. Dharmanjay Singh TOWOKUL	15
Mrs. Danielle WONG, CSK	15
Mr. Jayen CHELLUM (up to 18 June 2017)	17
Mr. Ahmud MACKY (as from 19 June 2017)	-

Statement of Attendance to Corporate Governance Committee meetings

NO. OF CORPORATE GOVERNANCE MEETINGS HELD: 1	NO. OF MEETINGS ATTENDED
Mrs. Danielle WONG, CSK (Chairperson)	1
Mr. Ahmud MACKY (as from 19 June 2017)	1
Mrs. Bandeenee SIBDOYAL	1
Mr. Sanjiv MULLOO	1

Statement of remuneration of Council members

The Chairman, Vice Chairman and Members of the council receive a monthly fee as Council Members. Payment for the Finance Committee, the Human Resource Committee and the Corporate Governance Committee are made as per attendance for a maximum of two meetings per month.

Remuneration of Members for Financial Year January 2016-June 2017

COUNCIL/COMMITTEE MEMBERS	COUNCIL AND COMMITTEE FEES (RS)
Mr. Sanjiv Mulloo	990,000
Mr. Dharmanjay Singh Towokul	690,000
Mrs. Nulini Devi Kinnoo (up to 21 June 2017)	187,000
Mrs. Bandeenee Sibdoyal (as from 22 June 2017)	-
Mr. Pradeep Dursun	177,000
Mr. Rashid Imrith	260,000
Mrs. Danielle Wong CSK	209,000
Mr. Jayen Chellum (up to 18 June 2017)	213,000
Mr. Ahmud Macky (as from 19 June 2017)	-

Donations

No donation has been effected during the year.

Code of Ethics

Issues such as ethics, employee's involvement and equal opportunity of employment are key to the long term interest of the NPCC to conduct itself as a responsible corporate citizen. Work is on-going to refine internal policies and practices that would enhance the existing practice in these areas.

The Council also provides a safe workplace for its staff together with a medical scheme and a 24-hr Insurance cover.

Related Party Transaction

There has not been any related party transaction during the year.

CORPORATE GOVERNANCE

Statement of Director's Responsibility

The Council acknowledges its responsibilities for:

- (i) adequate accounting records and maintenance of effective internal control systems;
- (ii) the preparation of financial statements which fairly present the state of affairs of the council as at the end of the financial year and the results of its operations and cash flows for that period and which comply.
- (iii) the selection of appropriate accounting policies supported by reasonable and prudent judgment.

The external auditor (i.e the Director of Audit, National Audit Office) is responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

- (i) adequate accounting records and an effective system of internal control has been maintained;
- (ii) appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently;
- (iii) applicable accounting standards have been adhered to; and
- (iv) the code of Corporate Governance as applicable to State-Owned Enterprises has been adhered to.

Signed on behalf of the NPC Council.



Mr S. Mulloo

Chairman



Mr D. Towokul

Vice Chairman

Directors' Statement for Internal Control

The NPCC acknowledges its responsibility for the setting up of adequate system of internal control and for the setting up of appropriate policies to provide reasonable assurance that the control objectives have been attained. The activities are closely monitored by the Council. Procedures and policies are well documented and consistently applied. Management has the relevant experience and skills to ensure proper running of the Council.

The organisation being lean, there is no specific provision for an Internal Controller. However, we have put in place an effective system, which includes:

- (i) Proper segregation of duties whereby the different functions in process are crosschecked and verified.
- (ii) Expenditure limits for the Executive Director/Officer-in-charge has been fixed and purchases are duly authorised by the appropriate instances.
- (iii) Follow up and implementation of recommendations of the Director of Audit in order to improve the processes and ensure proper accountability, is regularly adhered to.
- (iv) Adequate supervision of duties performed by staff members by the Executive Director/Officer-in-charge.
- (v) The assets of the Council are properly safeguarded.
- (vi) All cheques issued by the Council are signed by two authorised signatories.

Signed on behalf of the National Productivity and Competitiveness Council.



Mr S. Mulloo

Chairman



Mr D. Towokul

Vice Chairman



**OVERVIEW OF THE MAURITIAN ECONOMY
DURING FINANCIAL YEAR 2016/2017**

OVERVIEW OF THE MAURITIAN ECONOMY DURING FINANCIAL YEAR 2016/2017

The fiscal year 2016/2017 was marked by important developments on several fronts both at local and international levels. With a new US administration led by President Donald Trump and the decision of the UK to sever its ties with Europe, economic observers opined this was a strong signal for a slump in major financial markets across the globe. Yet, the Mauritian economy fared reasonably well against the vagaries affecting the global economy.

At the global level

According to the International Monetary Fund (IMF), productivity growth—the key driver of living standards—fell sharply following the global financial crisis. Since then, it has remained sluggish, coupled with a slowdown already in train before. The IMF also opined that the productivity slowdown reflected both crisis legacies and structural headwinds. The global financial crisis in developed financial centres has also led to what has been coined as "productivity hysteresis". This is defined as persistent productivity losses from a seemingly temporary shock. This is explained by, elevated uncertainty, protracted weak demand and balance sheet vulnerabilities. These elements jointly provoked an adverse feedback loop of weak investment, weak productivity and bleak income prospects in many parts of the world.

At the local level

Nevertheless, Mauritius continued to register fairly stable growth amid international economic uncertainties in 2015 with a goal of attaining high income economy by 2030. This was despite the economic slowdown in the Eurozone which had an impact on the Mauritian economy given its dependence on tourism, trade and Foreign Direct Investment (FDI).

Against all the odds, Mauritius has continued to be one of the most prosperous economies in Africa. The country enjoys the highest per capita Gross Domestic Product (GDP) in the region.

Outlook for 2016/2017

According to the IMF's World Economic Outlook released in October 2016, economic observers forecasted global growth to slow down from 3.2 % in 2015 to 3.1 % in 2016, before recovering to 3.4 % in 2017. The forecast was revised downwards by 0.1 % for 2016 and 2017 relative to April and reflected a more subdued outlook for advanced economies following the June UK vote in favour of leaving the European Union and weaker-than-expected growth in the United States. Moreover, GDP growth was estimated at 3.5 % in 2016 and 3.9 % in 2017.

Selected indicators for Mauritius for the period 2011- 2015

	Unit	2012	2013	2014	2015
GDP growth rate at current market prices	%	3.5	3.4	3.7	3.5
GDP per capita at current market prices	MRU	277,856	294,519	309,776	323,315
Unemployment	Average, %	8	8	7.8	7.9
Headline inflation	%	3.9	3.5	3.2	1.3
Total investment	% of GDP	24.8	25.1	22.9	25.4
Gross national savings	% of GDP	18.4	19.7	18.3	20.3
Government revenue (excluding grants)	% of GDP	20.8	21.0	20.5	21.8
Government expenditure	% of GDP	23.3	24.9	23.9	27.4
Balance of visible trade deficit	Rs bn	81.3	77.5	77.3	74
Overall fiscal balance, including grants	% of GDP	-1.8	-3.5	-3.2	-5
Overall fiscal balance, excluding grants	% of GDP	-2.5	-3.9	-3.4	-5.6
Government debt	% of GDP	51.5	53.9	56.2	56
Exports of goods and services	% of GDP	52.9	47.3	50	54.2
Imports of goods and services	% of GDP	66	61.6	62.4	65.5
Trade balance on goods	% of GDP	-21.5	-19	-17.9	-16.7
Net foreign direct investment	% of GDP	49.5	10.1	4.4	5.4

OVERVIEW OF THE MAURITIAN ECONOMY DURING FINANCIAL YEAR 2016/2017

GDP Growth World Economic Outlook

	2013	2014	2015	2016	2017	2018	2019	2020	2021
World	3.3	3.4	3.2	3.1	3.4	3.6	3.7	3.7	3.8
Advanced economies	1.2	1.9	2.1	1.6	1.8	1.8	1.8	1.7	1.7
Euro area	-0.3	1.1	2.0	1.7	1.5	1.6	1.5	1.5	1.5
Major advanced economies (G7)	1.3	1.7	1.9	1.4	1.7	1.7	1.6	1.5	1.5
Other advanced economies (Advanced economies excluding G7 and euro area)	2.3	2.8	2.0	2.0	2.3	2.4	2.5	2.6	2.6
European Union	0.3	1.6	2.3	1.9	1.7	1.8	1.8	1.8	1.7
Emerging market and developing economies	5.0	4.6	4.0	4.2	4.6	4.8	5.0	5.1	5.1
Commonwealth of Independent States	2.1	1.1	-2.8	-0.3	1.4	1.7	2.1	2.2	2.4
Emerging and developing Asia	7.0	6.8	6.6	6.5	6.3	6.3	6.4	6.4	6.4
Emerging and developing Europe	2.8	2.8	3.6	3.3	3.1	3.2	3.1	3.2	3.2
ASEAN-5	5.1	4.6	4.8	4.8	5.1	5.2	5.4	5.5	5.5
Latin America and the Caribbean	2.9	1.0	0.0	-0.6	1.6	2.1	2.6	2.7	2.7
Middle East, North Africa, Afghanistan, and Pakistan	2.4	2.7	2.3	3.4	3.4	3.6	3.8	4.0	3.9
Middle East and North Africa	2.2	2.6	2.1	3.2	3.2	3.4	3.6	3.7	3.6
Sub-Saharan Africa	5.2	5.1	3.4	1.4	2.9	3.6	4.2	4.3	4.2
Mauritius	3.2	3.6	3.5	3.5	3.9	3.9	4.0	4.0	3.9

Main drivers of the Mauritian economy

The main drivers of economic growth in 2016 included financial and insurance activities, manufacturing, wholesale & retail trade and accommodation and food service activities, information and communication technology and professional, scientific and technical activities.

The local labour force

In 2015, Mauritius estimated its total labour force at 612,900, which included 371,900 males and 241,000 females as compared to 604,000 (371,100 males and 232,900 females) for the year 2014. The number of foreign workers in 2015 was at 28,300 (18,600 males and 9,700 females) compared to 28,300 (18,300 males and 10,000 females) in 2014. The Mauritian labour force was estimated at 584,600 (353,300 males and 231,300 females) in 2015 as compared to 575,700 (352,800 males and 222,900 females) in 2014.

Sustainable Development Goals (SDGs)

Most of the Millennium Development Goals (MDG targets) have been achieved by Mauritius relating to eradicating extreme poverty and hunger, achieving primary education, promoting gender equality and combating HIV/AIDS, integrating the principles of sustainable development into country policies and programmes, ensuring access to safe drinking water and basic sanitation, providing access to affordable essential drugs, debt servicing and making available the benefits of new technologies, especially in the field of information and communications. Efforts are still ongoing to achieve targets on inequality, reducing the mortality rate for children under five, maternal mortality ratio, representation of women in Parliament and reducing bio-diversity loss.



**STRATEGIC
PLANNING**

STRATEGIC PLANNING

STRATEGIC PLAN 2016-2019 ACHIEVING FULL POTENTIAL THROUGH POSITIVE HABITS

1. About the Strategic Plan

The strategic plan 2016-2019 which was developed through a participatory process is a roadmap for the npcc to deliver on its mandate. The strategic plan has been informed by major changes in the global and local landscape and is aligned with the government's 2015-2019 programme and vision 2030.

Based on the theme "Achieving Full Potential Through Positive Habits", which accentuates on the human-centric approach required to improve productivity, the strategic plan focuses the work of the npcc on four strategic thrusts namely: empowerment, education, entrepreneurship and innovation. The four strategic thrusts which are inter-related will focus on the citizen, business and the government.



2. How will we do this?

Thrust 1: Empowerment

Empowerment has been identified as a key pillar for the Mauritian economy to grow, be more productive and competitive. In its broadest sense, empowerment is the expansion of freedom of choice and action.

Projects to be implemented:

I. NATIONAL LEADERSHIP ENGINE

A. Living the Mauritian leadership brand

Objective: To build a reputation for developing exceptional Mauritian leaders with a distinct set of talents that is uniquely geared to fulfil stakeholders' expectations.

B. National leadership development

Objective: To develop leadership capabilities at all levels.

C. Grooming young Mauritian leaders

Objectives: To build a network around our young Mauritian leaders to support them and enable them to be effective and successful as they continue on their leadership journeys.

D. Platform for smart ideas

Objectives: To empower citizens to increase their public participation with a view to giving feedback on public services and participate fully in decisions and processes that shape their lives.

E. Positive habits

Objective: To improve society by promoting and showcasing positive actions at the level of individuals, families, schools, organisations and communities.

Thrust 2: Education

Education empowers people to achieve their full potential in business, government and society and is the basis for generating and harnessing intellectual capital.

Projects to be implemented:

I. PROMOTION, COMMUNICATION AND SENSITISATION ON PRODUCTIVITY

Objective: To rally the whole nation behind the productivity movement and instigate action to promote productivity and competitiveness.

II. TRAINING PROGRAMMES

Objective: To advocate and build capacity for productivity and quality improvement.

III. PRODUCTIVITY AND QUALITY IMPROVEMENT PROGRAMMES (PQIP)

Objective: To strengthen the capacity of organisations to implement productivity and quality improvement programmes.

IV. RESEARCH AND ANALYSIS

Objective: To keep abreast of new developments in the field of productivity and build competitiveness intelligence.

V. DEVELOPMENT OF PRODUCTIVITY BEST PRACTICES

Objective: To create a body of knowledge in the field of productivity and quality.

VI. SUBJECT MATTER EXPERT FOR CIVIL SERVICE

Objective: To promote public sector efficiency and effectiveness.

VII. ICT SOLUTIONS FOR ENTERPRISE PRODUCTIVITY

Objective: To promote the use of ICTs to improve productivity.

VIII. PRODUCTIVITY AND QUALITY AWARD

Objective: To recognise productivity and quality improvement efforts in different organisations - both public and private; including SMEs

STRATEGIC PLANNING

Thrust 3: Entrepreneurship

Entrepreneurs play a vital role in economic development as key contributors to technological innovation and new job-growth/wealth creation.

Projects to be implemented:

I. PRODUCTIVITY ALLIANCE FOR ENTREPRENEURS

Objective: To provide a platform to entrepreneurs to dialogue and learn from each other and to create institutional synergy to better service the platform.

II. SMART ENTREPRENEUR PROGRAMME

Objective: To promote an entrepreneurial culture

Thrust 4: Innovation

A society without innovation will not flourish for long. The basic building blocks of an innovative society must be put in place before any other expectations can be met.

Projects to be implemented:

I. INNOVED

Objective: To promote critical thinking, problem solving, creativity and innovation among students and educators.

II. INNOVATION AWARD

Objective: To promote an innovation culture in Mauritius.

III. INNOVATING IN A DIGITAL WORLD

Objective: To build capacity of unemployed graduates to develop apps for productivity improvement.

3. Rodrigues

Rodrigues is also considered under the four thrust mentioned above. It is envisaged to consult stakeholders in Rodrigues to assess priorities and design a strategic action plan to enhance productivity and competitiveness taking into account the specificities of the island.

4. Way-forward

We are aware that the future has many challenges and opportunities in store for us. But we are convinced that if we all rally behind the action plan and make productivity our priority (public sector, private sector, trade unions and civil society) and value positive habits, patriotism, pride in work etc., we will contribute to a better future for ourselves and future generations.





**BUSINESS DEVELOPMENT
AND CONSULTANCY**

BUSINESS DEVELOPMENT AND CONSULTANCY

The Business Development and Consultancy Unit engages in consultancy services to streamline the workplace, establish a platform for sharing ideas, brainstorm to find solutions for business issues and create an engaged workforce.

NPCC-EM collaboration

The NPCC signed an agreement in July 2016 with Enterprise Mauritius (EM) to implement PQIP in 20 SMEs shortlisted by EM. As at 30 June 2017, some 18 companies have completed the implementation of the PQIP and the NPCC is still intervening in two companies. 20 companies were shortlisted from a total of 43 SMEs which benefited from a free walk through survey by the NPCC. The areas of improvement included productivity, quality, strategy, finance, 5S (good housekeeping) inventory management and marketing.

The NPCC completed the implementation of the PQIP in the following companies under the NPCC-EM project:

Zakda Iron Work Industries Ltd

Zakda Iron Work Industries Ltd was set up in 2011 and specialises in the manufacturing of gates, railings, fences and furniture in wrought iron. The PQIP enabled the company to transform its activities and reduce its wastes by a great volume. The company is now in a phase of shifting its workshop to Malherbe which will be more convenient for the business compared to the current location. The implementation of the productivity tools in the present workshop has been of a great help in the new location.

Pere Laval Enterprise

Pere Laval Enterprise is a family business set up in 1987 as a small mechanical engineering workshop. The company was able to sustain its marketing, cash flow monitoring and 5S by continuously building internal capacity and further developing the civil engineering works along with export towards Madagascar.

Training of staff was conducted on cash flow budgeting and the importance of cash flow monitoring (see sample cash flow, based on internal capability of accounting staff. A marketing strategy was developed with staff along with a database of potential clients.

V. Kanhye Health Foods Co Ltd

V. Kanhye Health Foods Co Ltd was incorporated in 2014 and specialises in growing and processing moringa leaves (known to have many medicinal properties) in tea bags and powdered form. The enterprise main clients include hypermarkets, supermarkets and shops.

The productivity Improvement Programme at Kanhye Health Products Co Ltd has focused on reducing the lead time and standardize the drying process of the final products.

Brighthrough Ltd

Brighthrough Ltd is a garment manufacturing company set up in May 2010. The company works under contract for a reputable retail outlet operating in the high end segment in Mauritius. The company depends heavily on the orders from the retail outlet which is also the main client of Brighthrough Ltd.

The company is now implementing a proper marketing strategy to increase its client base to reduce its vulnerability and heavy reliance on its main client. More emphasis will be placed on better finance management to ensure effective management of the business.

TOP Detergent

TOP Detergent has currently a wide variety of products ranging from basic house care products such as dish washing soap, laundry detergent and softener, bathroom cleaners, kitchen cleaners to more complex and concentrated detergents.

The housekeeping of the business has improved which has helped create more space. This enabled the operators to have better access to their workstation. A Kanban system has been suggested by NPCC which will show the minimum and maximum stock of items to be kept on rack for delivery.

Mauriseed Ltd

Mauriseed Ltd was set up in 2014 and specialises in the processing and distribution of garlic based products such as garlic paste, garlic and ginger paste and garlic and herbs under the brand name of L'Ail Pays.

Following the implementation of the project, the Facebook page of "L'Ail Pays" accumulated 40 likes and 8 reviews in the month of June. More importantly, this also translated into 10 new customers, clearly demonstrating the benefits of this low-cost marketing strategy.

AAH upholstery

AAH upholstery specialises in the upholstery of vehicle and furniture. It has been operating since 15 years and currently employs 12 people. A training session was organized to transfer the necessary knowledge and skills required for the implementation of the 5S to all employees. The skills development allowed the empowerment of the employees and the director with the methodology to identify the issues, analyse them, propose improvement using the required framework and thus improve the work environment.

Ric Actuel Co.Ltd

Ric Actuel Co.Ltd was founded in 2014 and is mostly specialised in the production of value added men's swimwear and underwear. The company is diversifying its line of production from men's wear to sweaters, carry bags made of cloth and T-shirts.

The assigned Production Supervisor has improved the production system by implementing a visual board to communicate the daily planning and their expected target per operation.

Gourmandises D'Anne

Gourmandises D'Anne is a bakery in Vacoas and manufactures a wide range of cakes, such as, 'tarte banane', 'croissant' and 'macaron'. It sells its products to the local market through its own outlets located in different regions. With the implementation of the PQIP, Gourmandise d'Anne has been able to set the standards for its inventory management with better control and visual management. The store was cleared off all unnecessary items and spaces were created to classify the items in categories A, B and C.

Prajo Enterprise Ltd

Prajo Enterprise Ltd started the production of pickles in 2007 (fruits and vegetables) and has both local and foreign markets for its pickles. With the implementation of the PQIP, the company reduced the waiting time for mixing fruits and spices by 70% and for the process of filing of jars by 42%. Unnecessary walking reduced from 3.5 metres to 1 metre.

Manisa Co. ltd

Manisa Co. ltd was founded in the early 1980s and has been in the business of manufacturing shoes for ladies and gents under the brand name "Julien R" and Maestro Raphael.

As at July 2017, the following deliverables were achieved:

1. Weekly meeting by supervisor with management for production planning based on issues observed on the floor.
2. Workers are motivated to reduce waste during production.
3. Raw materials are ready for next production, thus eliminating the muda of waiting.
4. The supervisor has more confidence in leading discussion with both top management and workers.

Food Select Ltd

Food Select Ltd is registered as a pastry situated in Trianon. The company planned to operate as an industrial pastry catering for the needs of its sister company O GU while expanding towards an export oriented enterprise. After the implementation of the PQIP, there was a better utilization of the newly rented space available at the new pastry. There was also an improved layout of pastry for optimum space utilisation and improve efficiency in process flow as well as a better team work among employees.

Pom D'Or

Established in 1999, Pom D'Or specialises in the manufacture and distribution of ready-to-cook snacks to clients across Mauritius. Over the years the enterprise has been able to grow into a well-known brand reaching a wider market.

With a better production planning, Pom D'or is now able to review its production and to focus on the categories of Product 'A' and 'B' and to plan the weekly production. Following the implementation of the PQIP, the director and supervisor have managed to reach a realistic target of 15000 units per week.

Lavan Furniture Ltd

Lavan Furniture Ltd was created on 24 August 2004. Its main activities are design, manufacturing and sales of furniture.

The company's quotation process was standardized which allowed for the creation of a database of selling prices for raw materials. The monitoring process was also standardized, allowing for a stronger tracking of expenses, including those that arise in the course of a project. The changes brought to the company have laid the foundation for future improvements. This has allowed the company management team to change their mindset and now challenges every status quo.

BUSINESS DEVELOPMENT AND CONSULTANCY

The implementation of the PQIP was completed in the following companies:

ENL Corporate Services

- Optimisation of resources and delivery of services on time.

Meliwear Co Ltd

- 5S implementation.

Neel Trading and Facilities Ltd

- Improving after sales service.

Pick and Buy Ltd (Winners)

- Store Inventory Management at Winners Roche Brunès

Intervention is still ongoing in a number of for the implementation of PQIP as at end of the financial year.

Caudan Security

- Strategic Visioning using the ZOPP and the Balanced Scorecard perspectives

Maurilait Ltée

- 5S and Kaizen

IBL seafood companies (Froid des Mascareignes, Mer des Mascareignes, Marine Biotechnology and Cervonic)

- Productivity Awareness
- Survey and operations
- Sensitisation of all employees on productivity
- Problem-solving mechanism set up in each BU
- Capacity building and demonstration projects in each BU

Pick and Buy Ltd (Winners)

- Store Inventory Management in 7 outlets of Winners.
- PQIP in 4 outlets

Krypnet Computers Services Ltd

- Stock control management and cashflow

L'Epongerie Ltd

- Improvement of profitability

Nabridas

- Improvement of productivity and quality

Foodworks Ltd

- Financial management and strategic planning

Creative Sign Ltd

- Process Improvement

Bas Ltd

- 5S implementation

Sofap Ltd

- Implementation of Quality Circles and follow up of projects
- Organisation of company convention

Archemics (Harel Mallac group)

- Setting up of Innovation Quality Circles
- Implementation of projects
- Innovation Quality Circles Convention

Shandrani Resort and Spa

- Setting up of Innovation and Quality Circles
- Implementation of projects
- Innovation and Quality Circles Convention

Airline Travel and Tours

- Customer Care: Training on customer care and follow up mechanism with clients

World Knits Ltd

- Implementation of Lean Manufacturing to improve productivity and increase monthly production capacity

Sofap Ltd

- 2nd Quality Circle Convention

Food Select

- Setting up new business in pastry targeting export

Jinchi Fashion Ltd

- Waste elimination on production floor

English Bay Co Ltd

- Implementation of project

Best Graphics

- Implementation of 5S

Association des Hotels de Charme

- Greening the Mauritian Tourism Industry Training Programmes

News Asia Travel and Tours

- Development of strategic plan and action plan

NPCC-AMM partnership

An agreement was signed with the Association of Mauritian Manufacturers (AMM) in May 2017 to help local companies obtain the 'Made in Moris' label. Some 20 companies are targeted under this project. The NPCC will help local manufacturers abide by the highest manufacturing norms while assisting them at the same time in uplifting their operations through the Enterprise Transformation Programme. Companies unable to achieve the conformity to obtain the 'Made in Moris' label are actually referred by the AMM to the NPCC for intervention in areas where improvements are required.

Gap Analysis for Association des Hotels de Charme

A Gap Analysis was performed in 30 hotels of the Association des Hotels de Charme (an association of small hotels and resorts) in May 2016. The Gap Analysis would be used as a baseline to gauge their readiness and to sensitise and help transform them into green hotels with a view to promote the adoption of more sustainable practices.

The objective of the project was to enable small hotels and resorts to conserve ecologically significant habitats by reducing, recycling, minimizing waste and conserving water, using power from renewable energy and using fruit and vegetables from own organic gardens. The association also aimed at promoting community involvement by encouraging hotels to offer some form of environmental education to their guests, staff, beach hawkers etc.

The association submitted a list of 30 hotels, 18 in Mauritius and 12 in Rodrigues, to be audited.

Service Blueprint for CDU

The NPCC has worked with the Ministry of Gender Equality, Child Development and Family Welfare to develop a Service Blueprint for the Child Development Unit (CDU).

A presentation of four improvements projects identified through analysis of fail points in the service blueprint was made in December 2016 and saw the participation of 16 persons from the Ministry of Gender Equality, Child Development and Family Welfare.

The service blueprints, mapped by the CDU staff, were carefully chosen based on the most frequent cases reported to the CDU as per statistics for the year 2015. A training for Family Welfare and Protection Officers, psychologists and coordinators from the CDU took place in August 2016.

**BUSINESS DEVELOPMENT
AND CONSULTANCY**





**RESEARCH
AND KNOWLEDGE MANAGEMENT**

RESEARCH AND KNOWLEDGE MANAGEMENT



Future of Productivity

The Secretary General of the Asian Productivity Organisation (APO), Dr. Santhi Kanoktanaporn, led a conference on the theme "Future of Productivity" at Cyber Tower 1 in Ebène in February 2017. More than 200 participants from various institutions and corporates marked their presence at the conference. Dr. Santhi spoke about the challenges that most countries are facing to keep at par with the development in technology as well as economic factors such as demand and production.

According to the Secretary General of the APO, while it will always be a question about revisiting our business and governance models, it is also true that to be qualified as a high income nation, it is imperative for the country to constantly energise the local economy and adapt itself to the regional and international economic conditions.

For Dr. Santhi, the new approach and direction in managing productivity is sustainable productivity as he defines it: "Excellence in productivity no longer guarantees that your organization will survive and thrive in the world of constant change and uncertainty."

A panel discussion was held at the end of the conference. The panel discussion was moderated by Mr Sanjiv Mulloo, chairperson of the NPCC and comprised the following participants:

- Mrs Nina Belizar-Estudillo (Productivity Expert, Asian Productivity Organisation)
- Mr Mohd Lizuan Abd. Latif (Productivity Expert, Asian Productivity Organisation)
- Mr Vidia Mooneegan (Senior Vice President and Managing Director of Ceridian Mauritius)
- Mr Patrice Robert (Chief Operating Officer of IBL Seafood)
- Mr Rashid Imrith (Council Member of the NPCC and President of the Government General Services Union (GGSU))



Grooming Young Mauritian Leaders

The 'Grooming Young Mauritian Leaders' programme started in February 2016 with some 40 participants and culminated in May 2017 with a certificate handing over ceremony to 26 young Mauritian leaders having completed the programme.

The programme gained support from the US Embassy and was in line with the NPCC's objective to promote and nurture the talents and skills of young people who aspire to become leaders in different fields of activities.

The Grooming young Mauritian Leaders project aimed at:
Building a network around our young Mauritian leaders to support and enable them to be effective and successful as they continue on their leadership journeys. b) Nurturing a new breed of young Mauritian leaders who live the Mauritius Leadership Brand.

Themes discussed during the training sessions:
Mauritian and African leadership, women in leadership, social leadership, innovative forms of political participation and social activism, values in leadership, human rights and leadership, business leadership and innovative leadership amongst others.



Monthly interactive sessions led by experts in the field were held on different topics related to leadership geared towards honing the leadership skills of the young leaders.

Capacity building programmes were also held that consisted of team problem solving, facilitation, mediation, conflict resolution, project management and effective leadership.

The Research and Knowledge Management unit is the research arm and the focal point for published works on productivity, quality and competitiveness. It collects, organizes and disseminates information for policy formulation and planning and provides analysis and information sources and services to support research & development, promotional activities and training related to productivity and competitiveness.

E-knowledge centre

The e-Knowledge Centre was launched at the end of 2016 to provide better services to stakeholders looking out for information pertaining to productivity, competitiveness and quality among others.

Books, journals, periodicals and surveys can be consulted straight on the e-knowledge centre's portal. The NPCC portal (www.npccmauritius.org) provides access to an online platform where information on publications are available. Professionals, students, entrepreneurs and the public at large can register online to have access to the e-knowledge centre.



RESEARCH AND KNOWLEDGE MANAGEMENT

Knowledge Exchange - Feed Your Mind initiative

The Knowledge Exchange - Feed Your Mind initiative was launched in June 2017 with the objective to raise awareness and trigger thinking on a number of issues affecting the daily lives of people and guide them towards being more productive in their activities on both personal and professional fronts.

Knowledge Exchange is an interactive session among members of the public who are guided by a resource person and encouraged to debate on an issue to find potential solutions. The sessions are organized at the NPCC conference room during lunchtime.

Knowledge Exchange kicked off with the theme "How to manage the fear of being unsuccessful in life" on Wednesday 7 June. The knowledge sharing session was conducted by Mrs. Danielle Wong Ng, council member of the NPCC.

Productivity Enhancement in Rodrigues

A Productivity Committee (PC) was set up to develop and implement a "Productivity Enhancement Programme for Rodrigues" with the support of relevant stakeholders, including representatives from the public and private sector, trade unions, non-governmental and community-based organisations. The PC consists of key stakeholders from public, private and civil society organisations (including NGOs/ CBOs and trade unions).

The objectives of the programme are:

- To better the lives of Rodriguans and contribute to sustained and inclusive growth through the design and implementation of a strategic action plan to improve productivity and quality in Rodrigues
- To create awareness about productivity and quality and empower public and private organisations in Rodrigues to address productivity and quality issues

A participatory approach was used to gather the views and perspectives of stakeholders to develop a strategic plan for Rodrigues. A series of consultation/ courtesy calls were organised with stakeholders representing interest of the public, private, trade unions, non-governmental and community based organisations in Rodrigues to get their insight about improving productivity and quality in Rodrigues.





**INNOVATION, ADVOCACY AND
ENTREPRENEURSHIP**

INNOVATION, ADVOCACY AND ENTREPRENEURSHIP

The Innovation, Advocacy and Entrepreneurship department is responsible to drive the innovation agenda of the NPCC and to advocate for productivity at all levels. The unit interventions further include in plant consulting, coaching and training on innovation and entrepreneurship.

InnovED 2017 (INNOVATION FOR THE EDUCATION SECTOR)

InnovED 2017 was launched in a new dimension at Ecole Hotelière Sir Gaëtan Duval, Ebène in March 2017 during the award ceremony of InnovED 2016. The ceremony was attended by students and teachers as well as representatives of ministries and other institutions.



Tools to facilitate participating teams from secondary schools and centres of the Mauritius Institute of Training and Development (MITD) are now being hosted online on an e-learning platform (www.npccinnovation.org) that will help to foster creativity among students. InnovED 2017 also uses social media for on-going communication among teams and participants throughout the duration of the project. A total of 191 students and 66 facilitators have enrolled for InnovED 2017.

InnovED 2016 Awards

The team from Sir Ramparsad Neerunjun Training Centre at Ebène won the first prize. They presented a project on "Producing electricity using human heat". The central piece of this project is a chair which when occupied, creates an electrical energy from human heat. The energy is deemed enough to power small devices including mobile phones and mini fans.



The first runner up was Lycée Polytechnique Sir Guy Forget for their project 'Inflator – Inflating tyre using exhaust gas'. This project involves a kit that helps a driver inflate a flat tyre with air pumped from the exhaust pipe through an inflator.



The second runner up was La Tour Koenig Training Centre for their project 'Tool kit for easy and practical storage of garment making tools'. The tool kit comes with modules that can power devices that require low energy consumption at home.



The winning team was awarded a trophy and certificates as well as gifts from the NPCC and tokens from the NPCC's sponsor, OGU. All the other participants were given certificates and gifts.



Creative industries

A presentation on the creative industries was made by advertising professional, Florent Beusse in May 2017 to discuss and share views on ways and means to bring this sector to a new height.

The initiative to inject a new wave of productivity into this highly potential industry was motivated by the exponential growth that the industry observed over the years in different parts of the world.

Stakeholders at the presentation shared their views on the different challenges facing the local creative industries and the possible means to give a new breath of air to this activity that could contribute massively into our economy.



Development of strategic action plan for Cité Ste Catherine

The Joint CSR Committee ENL, Rogers and Food and Allied sought the collaboration of the NPCC to formulate their strategic action plan for an Integrated Community Development Project at Cité Ste Catherine in July 2016.

The objective of NPCC's intervention in this project was to use the participatory approach to formulate the strategic action plan for ENL Foundation and other stakeholders working in partnership with the Foundation, to initiate projects that are relevant to the needs of the vulnerable families living at Cité Ste Catherine.

The NPCC facilitated focus group discussions to:

1. gather information about the community and inhabitants needs, hopes, aspirations, vision;
2. engage the community in the strategic plan formulation process and build trust;
3. arouse the interest of the community to subsequently participate in the different stages of the project;
4. take stock about other stakeholders working for betterment of the community.

The target groups comprised the following:

- Students and youngsters (youth clubs and other clubs)
- Women
- Elderly
- Community Leaders
- Other stakeholders engaged in the development of Cité Ste Catherine (NGOs/ CBOs and other service providers)

A workshop was held on the 16 and 17 July 2017 with representatives of different focus groups to formulate the vision of the community and design the strategic action plan to achieve the vision. This was followed by a validation workshop of the strategic action plan scheduled for August 2016.

ICT for Innovation

The ICT for Innovation initiative was launched on 22 June 2017 on a pilot basis, targeting mainly computer science students from the University of Mauritius who were trained to develop innovative solutions to issues through the use of ICT. Some 18 students participated in this initiative in which they had to develop a project based on the latest technologies. The experience gained during the development of their projects will be replicated on a wider scale. The NPCC partnered with the University of Mauritius, the Centre for Innovative and Lifelong Learning (CILL) and E-Inclusion to implement the programme.

INNOVATION, ADVOCACY AND ENTREPRENEURSHIP

Branding of Health Track and Recreation Facilities at St Felix public beach

The Employees Welfare Fund (EWF) in collaboration with the Beach Authority and the District Council of Savanne has set up a health track and recreational facilities at the St. Felix Public Beach. This project will benefit the inhabitants of regions of Chemin Grenier, Chamouny, Rivière des Galets and Surinam. The EWF approached NPCC for the branding and up-lifting of the image of the Health track and recreation facilities. This was an opportunity for the NPCC to display inspiring productivity and creativity messages along the health track and sensitise people in the region on productivity and creativity.



English Literacy Using Information Technology (ELIT)

The 'English Literacy Using IT' project attracted 45 women in 2016 and another 33 during the first semester of 2017. The project aims at building leadership capabilities at all levels and boost citizen engagement. The NPCC partnered with Entreprenre au Féminin, Océan Indien (EFOI), a Non-Governmental Organisation (NGO) to implement this project during the financial year. The main objective is to bridge the language and digital divide and empower women with basic productivity concepts. The ELIT project targeted women aged 15 and above with low academic background.



**PRODUCTIVITY AND COMPETITIVENESS
LEARNING CENTRE**

PRODUCTIVITY AND COMPETITIVENESS LEARNING CENTRE

The Productivity and Competitiveness Learning Centre (PCLC) delivers a broad set of technical and soft skills programmes that can be combined and adapted to the needs of company staff. Areas of expertise include: Quality Circles, Total Quality Management, 5S, Lean Management, Kaizen, Train-the-Trainers, Leadership, Team building, Customer Service, Improved Communication. Courses are designed as practical, interactive workshops that develop both knowledge and skills necessary to assess, improve and sustain productivity.

Customer Care training for NTC

A course on Customer Care was delivered to the ticket attendants, bus drivers, 'Chef de Gare' and mechanics of the National Transport Corporation between March and June 2016. 1195 employees of the corporation benefitted from this course. The training helped them improve the level of customer satisfaction, cultural change, perception, motivation and job satisfaction.

The training also enhanced employees' skills to assess situations from the customer's point of view and in responding effectively. The course aimed at equipping the ticket attendants and bus drivers to maintain a friendly and considerate manner toward customers when addressing their needs.

Advance Change Management and Actionable Analytics for Process Excellence

International lead consultant, Ketan Varia, visited Mauritius in September 2016 and May 2017 in the context of two different workshops. He shared his knowledge and experience with the public as well as local industry operators and helped them apply techniques and methods to better manage change in their operations.



The workshop in September 2016 was entitled "Change Management" which attracted some 13 external participants. The change management course focused on how employers and employees can adapt to the changes both in the internal and external environments of their workplace. The course helped them learn about how changes in the business environment should be viewed from different angles and how to tackle them.

The second workshop in May 2017 was about "Actionable Analytics for Process Excellence" where 11 external participants were enrolled. It focused on ways to make business operations more fluid through a more effective and thorough data analysis.

The attendees were provided with the skills to improve business processes by using tools that help better analyse the data around processes. Ketan Varia is the founder of Kinetik Solutions, a UK firm specialising in consultancy, transformation, process excellence, implementation of tools and change management.

Ketan Varia also delivered a two-hour presentation on 'Implementing Transformational Change in Complex Organisations: The Route to Success' to the members of Business Mauritius on 22 May 2017.



Advance Productivity Practitioners course

Some 40 African productivity practitioners, including 10 from Mauritius, followed the Development of Advance Productivity Practitioners course from the 6 to 17 February at the Gold Crest Hotel in Quatre Bornes. The course was delivered by the resource persons of the APO and was wholly funded by the Government of Japan.

The training was conducted by APO trainers from Malaysia and Philippines. Besides Mauritius, the countries represented included Botswana, Burkina Faso, Namibia, Nigeria, South Africa, Zambia, Tanzania and Zimbabwe.



**INDUSTRIAL HUMAN RESOURCES DEVELOPMENT FOR AFRICA
TRAINING COURSE ON DEVELOPMENT OF ADVANCED PRODUCTIVITY PRACTITIONERS
6TH-17TH FEBRUARY 2017, MAURITIUS**

Two observational site visits were organised at the Registrar General's Office and Sofap to allow the participants apply what they learned from the modules in the context of productivity and quality improvement. The participants identified the strengths, good practices and success factors of the organisations and learned about the opportunities for improvement and challenges.

PRODUCTIVITY AND COMPETITIVENESS LEARNING CENTRE

Dr. Debashis Chatterjee from IIM Lughnow

Dr. Debashis Chatterjee was in Mauritius in May 2016 to conduct a first workshop on "Timeless leadership" that targeted the public and a second workshop on "Alchemy of learning" that targeted the education sector. The workshop attracted 250 participants at the Intercontinental Hotel in Balaclava.

The workshop on Timeless Leadership introduced to the participants the guidelines for working effectively with their groups and increase their impact and influence.

During the public workshop, Dr. Chatterjee helped participants look inward and find solutions to the most persistent problems that they will face as a leader. The workshop was about going beyond their conventional thinking to open their mind for generating breakthrough ideas and identify actionable strategies to significantly improve their leadership DNA.

Professor Debashis also addressed the professionals of the education sector at the Octave Wiéhé Auditorium in Réduit where he spoke on "Alchemy of Learning". The workshop gathered some 500 education professionals. He stressed that the level of education in Mauritius is very high.

During the seminar, he conducted interactive exercises with the members present to explain different teaching techniques.



GoExport

The NPCC delivered training on cash-flow management, trade finance, and costing and pricing mechanism strategy to local SMEs in the context of the GO Export programme on 20 and 21 September 2016. This programme, conceptualised by Enterprise Mauritius, aimed at upgrading the export capabilities of local companies mainly SMEs through customised export readiness programme.

Some 40 participants from different sectors, such as textiles, food and beverages, Jewellery, Handicraft, Plastic manufacturing, Leather manufacturing, Furniture, Frozen foods, Fruits and fruit pastes attended the training.

The GoExport training was conducted again in Rodrigues in June 2017 and targeted some 40 entrepreneurs of the island. The training course focused on different areas of enhancing exports from Rodrigues.

Today's Teens Tomorrow's Leaders

Some 77 students from different secondary establishments were trained on leadership and creativity during the December 2016 holidays under the Today's Teens Tomorrow's Leaders initiative.

The students learned how to discover their inner abilities and help them sharpen their skills to lead in different fields of activities.



Plug your Brain

The Plug your Brain training was conducted in December 2016 with the objective to develop the creative mind of students. The course helped the students discover their particular creative skills through interactive sessions with the resource persons. The project gathered some 37 students from different secondary schools over two days.



TQM for productivity improvement

The course on Total Quality Management was based on the latest practices and trends in this particular field. Some nine participants followed the course in September 2016. Participants benefitted from a hands on approach to inculcate a productivity culture through TQM practices.



Leadership for teens

The leadership for teens course targeted 120 students from Forest Side SSS. The training impelled them to nurture their skills and talents to lead in different fields. The workshops spanned on four half days in March and May 2017. The course helped the students gather more tips about leadership skills and how they can use them in their daily lives.



150 women groomed

The NPCC collaborated with the Ministry of Gender Equality, Child Development and Family Welfare to groom some 150 women in January and February 2017 in areas of leadership and communications skills, effective public speaking, advocacy, lobbying and gender equality as part of the NPCC's drive to contribute further to the empowerment of women.

The grooming sessions were held at the Women Empowerment Centres across Mauritius. The participants learned how to assess their own skills and qualities, recognise their strengths and weaknesses and set goals in order to realise and maximise their potential.

The project addressed the needs of the women community mostly engaged in small businesses. The grooming empowered the women entrepreneurs to start or to carry on their businesses with more confidence and enhance their self development.

PRODUCTIVITY AND COMPETITIVENESS LEARNING CENTRE

Train-the-trainer for on-the-job facilitator

This training programme exposed participants to how to determine the needs of the learners and improve effectiveness and efficiency of performing tasks. The training took place at Shandrani Hotel in March, at Trou Aux Biches Hotel in May and in Rodrigues in June 2017.

Some 40 participants in total developed their training skills to improve their role as an on-the-job training facilitator and create dynamic training programmes. In 2016, one session of the Train the Trainer programme was organized for the public. 15 participants attended the session.



“

You cannot mandate productivity, you must provide the tools to let people become the best.

Steve Jobs

”



**CORPORATE
SERVICES**

CORPORATE SERVICES

THE TEAM

The total number of staff at 30th June 2017 was 31. 23 Staff were on establishment including two Driver Messenger/Office Attendants and two General/Handy Workers and one Support staff. Two staff were on leave without pay for a period of 6 months as from 15th March 2017 and 23rd June 2017 respectively.

INTERNSHIP/ASSIGNMENT

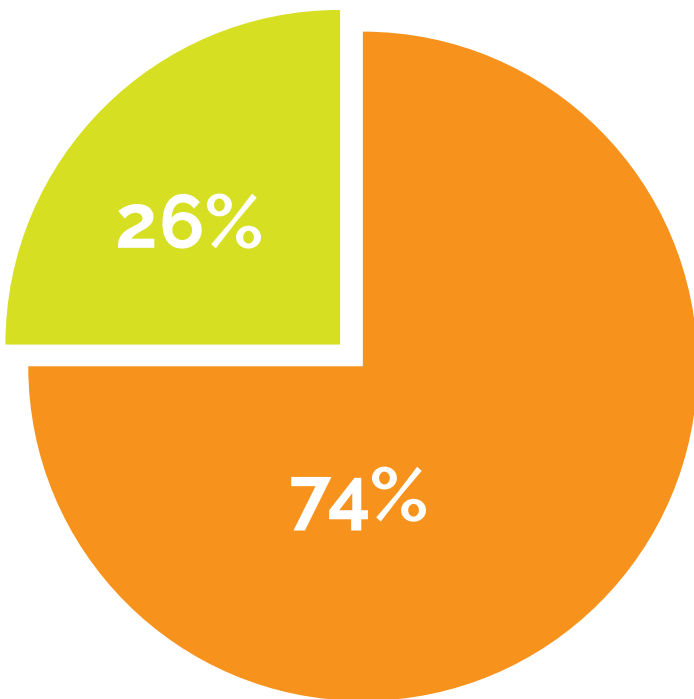
- Ms Hemrita Mungroo, University Student joined as intern on 05th June 2017 for a period of 7 months.
- Mr Eklavyasingh Aulum, University Student served as intern on 08th June 2017 up to 31st July 2017.
- Mr Francis Michel Lloyd Thierry, resigned from his post of Productivity Executive at the NPCC on 20th March 2017.
- Mr Dominique Louise proceeded on Leave without pay for a period of 6 months from 15th March 2017 to 15th September 2017.
- Ms Shreeya Seebarith, University Student, served as intern from 12th December 2016 to 03rd February 2017.
- Ms Jyotsna Badoye proceeded on Leave without pay for a period of 6 months from 23rd June 2017 to 23rd December 2017.

The following staff joined the NPCC on a contractual basis:

NAME	POST	DATE JOINED
Debesh Beedasy	Communications, Public Relations and Marketing Specialist	06 th March 2017
Peggy Moonien	Research and Knowledge Management Executive	08 th March 2017
Deveeka Bundhoo	Productivity Executive, Business Development and Consultancy	09 th May 2017
Avishay Lallah Ramduth	Productivity Executive, Innovation, Advocacy and Entrepreneurship	09 th May 2017
Krishan Seethiah	Productivity Executive, Business Development and Consultancy	22 nd May 2017
Ashvin Seenarain	Productivity Executive, Business Development and Consultancy	05 th June 2017
Luvkishan Persand	Productivity Executive, Business Development and Consultancy	07 th June 2017
Bhoumeeta Ramsohok	Productivity Executive, Business Development and Consultancy	12 th June 2017

The total personnel strength at the end of the period under review was 31.

Financial Year 2016-2017	NUMBER OF OFFICERS ON:		
	Pensionable and Permanent Establishment (PPE)	Contract	Total
	23 (Including two Officers on Leave without Pay)	8	31



% of Officers on PPE and Contract

NPCC STAFFING

Comparative Analysis of the percentage of officers on PPE and Contract is illustrated in the Pie Chart below:

- Contract
- Permanent and Pensionable Establishment

CAPACITY BUILDING

During the period under review, npcc staff have undergone training as follows:

- Mrs Vijayelaksmee Goorah, Lead Innovation, Advocacy and Entrepreneurship attended the "Entrepreneurship Training Workshop" organised by Empretec Mauritius Ltd from 16th to 23rd March 2016.
- Mr Thierry Marechal, Innovation, Creativity and Design Specialist attended the "Brand Magic Summit" organised by Mind Initiatives on 07th April 2016.
- Mr Thierry Marechal, Creativity and Design Specialist attended the Technopreneurship and Innovation workshop organised by the Mauritius Research Council (MRC) on 21st April 2016.
- Mrs Hemlata Ramsahok -Jomadar attended a workshop on Leadership and Strategic Thinking conducted by Ms Chantell Ilbury and organised by the Civil Service College on 11th May 2016.
- Mrs Shalini Mathaven, Lead Productivity and Competitiveness Learning Centre, attended a workshop on Skills Mismatch, Development and Employability, organised by Amity Global Business School on 01st June 2016.
- Five Productivity Executives, Business Development and Consultancy, namely Mr Francis Michel Lloyd Thierry, Mr Bilall Oozeer, Mrs Koyal Ramnoruth, Mrs Padmini Busgeet and Mrs Roshnee Boyjoo attended a workshop on Operational Excellence for Business Excellence, organised by Oxford International Consultants Mauritius Ltd on 08th June 2016.
- Ms Roshnee Boyjoo Productivity Executive, attended the Training on Social Entrepreneurship on 02, 09, 16, 23 and 30 June 2016 organised by the Decentralised Cooperation Programme (DCP).

CORPORATE SERVICES

CAPACITY BUILDING

- Ms Shalini Panchoo, Productivity Executive, attended the Training on Social Entrepreneurship on 31 May, 07, 14, 21 and 28 June 2016 organised by the Decentralised Cooperation Programme (DCP).
- Mrs Shalini Mathaven, Lead Productivity and Competitiveness Learning Centre and Ms Shalini Panchoo attended a conference on Leadership 4.0 by Robin Sharma organised by Whitefield Business School on 13th July 2016.
- Mrs Michele Mosses-Dubois, Personal Secretary and Mrs Annabelle Genevieve-Lebrasse attended a workshop on Emotional Intelligence organised by Professional Speakers Academy on 20th July 2016.
- Ms Jyotsna Badoye, Accounts Officer attended a workshop on Emotional Intelligence organised by Success Strategies Consultants Ltd on 01st September 2016.
- Mr Bilall Oozeer and Mrs Padmini Busgeet, Productivity Executives, Business Development and Consultancy attended the on the Job Training for Technical Cooperation on Productivity Improvement designed for staff of National Productivity Organisations, members of the Pan African Productivity Association and conducted by the Japan Productivity Centre as follows: -
 - Mr Bilall Oozeer, South Africa:
 - 12th to 16th September 2016
 - 07th to 11th November 2016
 - 31st January to 03rd February 2017
 - Mrs Padmini Busgeet, Kenya
 - 19th to 23rd September 2016
 - 31st October to 04th November 2016
 - 24th to 28th January 2017.
- Mrs Vikayelaksme Goorah, Lead Innovation, Advocacy and Entrepreneurship and Mrs Annabelle Genevieve-Lebrasse, Human Resource and Administrative Executive attended a workshop on Nurturing Innovative HR Practices in Organisations organised by Doracrea on 25th October 2016.
- Mrs Padmini Busgeet and Mr Bilall Oozeer, Productivity Executives, attended a on the job training on Management Consultancy for Productivity Improvement in Japan from 27th November 2016 to 10th December 2016 designed for staff of National Productivity Organisations, members of the Pan African Productivity Association.
- Mrs Shalini Mathaven, Lead Productivity and Competitiveness Learning Centre attended a training programme on "Management of Training Institutions" organised by the International Training Centre of the ILO from 28th November to 2nd December 2016.
- Mr Francis Michel Lloyd Thierry attended a Training program on Production Management for Africa in Tokyo, Japan organised by the Overseas Human Resources and Industry Development Management Training Association (HIDA) from 15th to 28th February 2017.
- Ten NPCC Officers attended the Industrial Human Resources Development for Africa: Training course on Development of Advanced Productivity, Practitioners organised by the Asian Productivity Organisation (APO) in Mauritius from 6th to 17th February 2017.
- Mrs Awantee Guckhool, Administrative and Procurement Officer, attended a workshop on "Achieve Success with Emotional Intelligence" organised by Success Strategies Consultants Ltd on 07th March 2017.
- Mrs Annabelle Genevieve-Lebrasse, Human Resource and Administrative Executive attended a conference on Optimize Performance and move up to the next level, by Shiv Khera organised by Whitefield Business School on 29th March 2017.
- Mr Jaikishen Pem, Finance Specialist attended a workshop on Achieving Your Leadership Potential organised by ACCA Mauritius on 29th April 2017.
- Ms Jyotsna Badoye, Accounts Officer attended a workshop on IPSAS: Public Sector Combinations and Presenting Financial Statements organised by ACCA Mauritius and W Consulting on 25th May 2017.



**INTERNATIONAL
NETWORKING**

INTERNATIONAL NETWORKING

During the financial year, the NPCC has been a member of the Pan African Productivity Association (PAPA). PAPA is the umbrella organization, federating African National Productivity Organisations established for championing the enhancement of productivity in Africa in order to leverage the competitiveness of the African continent.

Mr. D. Appalswamy, Officer in Charge and first Vice President of the Executive board of PAPA was delegated by PAPA to attend the 58th Session of the Asian Productivity Organisation (APO) Governing Body Meeting in Jakarta, Indonesia from 19-21 April 2016. The participation was funded by PAPA.

Mr. D. Appalswamy also attended the Executive Board meeting of PAPA on 28th August 2016 in Nairobi, Kenya and attended side events of the Sixth Tokyo International Conference on African Development (TICAD VI) hosted by the Productivity Centre of Kenya on 26th and 27th August 2016.

The Japan Productivity Centre (JPC) conducted its action planning workshop for PAPA member's NPO in Mauritius from 6th to 9th February 2017. Three consultants from JPC and one from Malaysia were present.

Mr. D. Appalswamy and Mrs. Nulini Devi Kinnoo, who was nominated by the Ministry of Financial Services, Good Governance and Administrative Reforms participated in the workshop.

The APO with the support and collaboration of the PAPA conducted a 10-day training course on the Development of Advance Productivity Practitioners in Mauritius from 6th to 17th February 2017. 30 African productivity practitioners, including 10 NPCC staff representing eight PAPA member countries attended the training.

The Secretary General of the APO, Dr. Santhi Kanoktanaporn was in Mauritius from the 16th to 18th February 2017. He participated in the handing over of certificates to the 30 participants of the 10-day training course on the Development of Advance Productivity Practitioners and delivered a talk on "The Future of Productivity" to the public on 17th February 2017. Dr. Santhi paid courtesy visits to the Minister of Financial Services, Good Governance and Institutional Reforms, Mr. Dharmendar Sesungkur, the Minister of Business, Enterprise and Cooperatives, Mr. Soomilduth Bholah and the Secretary for Foreign Affairs, Mrs. Usha Dwarka Canabady.

Mr. D. Appalswamy further attended the 59th Session of the APO Governing Body Meeting held in Tehran, Islamic Republic of Iran from 10th to 12th April 2017.



Productivity growth is the single most important factor affecting our economic well being

Paul Krugman





**REPORT
OF THE DIRECTOR OF AUDIT**

REPORT OF THE DIRECTOR OF AUDIT

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of the National Productivity and Competitiveness Council, which comprise the statement of financial position as of 30 June 2017, and the statement of financial performance, the statement of changes in equity, and the statement of cash flows for the 18-month period then ended, including a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the National Productivity and Competitiveness Council as of 30 June 2017, and of its financial performance and its cash flows for the 18-month period then ended in accordance with International Public Sector Accounting Standards and in compliance with the Statutory Bodies (Accounts and Audit) Act.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial Statements section of my report. I am independent of the Council in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards and in compliance with the Statutory Bodies (Accounts and Audit) Act and, for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

REPORT OF THE DIRECTOR OF AUDIT

In my opinion, in all materials respects:

- the National Productivity and Competitiveness Council has complied with the Act and any directions of the Minister to whom its responsibility is assigned, in so far as they relate to the accounts;
- as far as could be ascertained from my examination of the financial statements submitted to me, expenditure incurred were not of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- the National Productivity and Competitiveness Council has been applying its resources and carrying out its operations fairly and economically.

Public Procurement Act

The National Productivity and Competitiveness Council is responsible for the planning and conduct of its procurement. It is also responsible for defining and choosing the appropriate method of procurement and contract type in accordance with the provisions of the Act and relevant Regulations. My responsibility is to report on whether the provisions of Part V of the Act regarding the Bidding Process have been complied with.

In my opinion, the provisions of Part V of the Act have complied with as far as it appears from my examination of the relevant records.



K. C. TSE YUET CHEONG (MRS)
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
Port-Louis

27 March 2018.





**FINAL
ACCOUNTS**

Statement of Financial Position as at 30 June 2017

	NOTES	30 June 2017	31 December 2015
ASSETS			
Current assets			
		Rs	Rs
Cash and Cash Equivalents		13,884,600	10,243,196
Trade and Other Receivables	5	5,359,120	5,024,791
Held-to-Maturity Investments	17	5,000,000	-
Total current assets		24,243,720	15,267,986
Non-current assets			
Retirement Benefits Assets	18	1,615,760	1,502,097
Property, Plant and Equipment	6	4,734,695	4,099,561
Total non-current assets		6,350,455	5,601,658
Total assets		30,594,175	20,869,644
LIABILITIES			
Current liabilities			
Trade and Other Payables	7	3,256,710	1,572,719
Short Term Employee Benefits	8	1,693,598	1,932,571
Total current liabilities		4,950,308	3,505,290
Non Current liabilities			
Long Term Employee Benefits	9	11,042,109	9,522,221
Total liabilities		15,992,417	13,027,511
Net Assets		14,601,758	7,842,133
EQUITY			
General Fund	10	14,601,758	7,842,133

The Notes to the Accounts from pages 65 to 75 form part of the Financial Statements.



Mr S. Mulloo
Chairman



Mr D. Towokul
Vice Chairman

Statement of financial performance for the period ended 30 June 2017

	NOTES	18 months ended 30 June 2017	12 months ended 31 December 2015
		Rs	Rs
Revenue			
Income	11	6,839,498	7,680,926
Government Grant	12	56,296,212	35,800,000
Other Income	13	2,504,352	355,511
Total Revenue		65,640,062	43,836,437
Expenses			
Staff costs	14	38,478,556	25,901,420
Administrative costs	15	13,334,312	7,250,832
Other expenses	16	5,457,162	8,796,532
Depreciation	6	1,610,407	670,478
Total Expenses		58,880,437	42,619,262
Surplus for the period		6,759,625	1,217,175

Statement of changes in equity for the period ended 30 June 2017

	RESERVES Rs
As at 1 January 2015	6,624,958
Surplus for the year	<u>1,217,175</u>
As at 31 December 2015	7,842,133
Surplus for the period - Jan 2016 - June 2017	6,759,625
As at 30 June 2017	<u><u>14,601,758</u></u>

Statement of cash flows for the period ended 30 June 2017

	18 months ended 30 June 2017 Rs	12 months ended 31 December 2015 Rs
A. Cash flow from operating activities		
Surplus for the year	6,759,625	1,217,175
Adjustments for non-cash movements		
Depreciation	1,610,407	670,478
Retirement Benefits Assets	(113,663)	139,668
Operating Surplus before working capital changes	8,256,369	2,027,321
(Increase) / Decrease in Receivables	(946,453)	1,709,766
Increase / (Decrease) in Payables	3,577,029	(1,481,772)
Net cash flow from operating activities	10,886,945	2,255,315
B. Investing activities		
Purchase of Property, plant and equipment	(2,245,541)	(463,464)
Investment in Fixed Deposit	(5,000,000)	-
	(7,245,541)	(463,464)
Increase / (Decrease) in cash and cash equivalents	3,641,404	1,791,851
Cash and cash equivalents at the beginning of the period	10,243,196	8,451,345
Cash and cash equivalents at the end of the period	13,884,600	10,243,196

Statement of comparison of budget and actual amount for the period ended 30 June 2017

Details	Estimates Rs	Revised Estimates Rs	Financial Statements Rs
Salaries and Allowances	40,109,360	30,968,737	31,701,616
Travelling & Transport	3,700,000	3,354,048	3,328,753
Overtime	144,000	120,426	112,488
Staff Welfare	140,000	115,127	108,906
Contribution to the N.S.F.	226,400	181,996	178,311
Cost of Utilities	1,138,150	907,082	959,158
Fuel & Oil - Vehicles	180,000	120,592	117,055
Rental of Building	6,122,648	6,121,944	6,121,944
Office Equipment	230,000	266,800	196,075
Office Furniture	100,000	86,675	16,675
Office Expenses	546,000	411,935	464,308
Maintenance	264,000	179,113	145,549
Publications and Stationery	673,000	596,516	461,406
Overseas Travel	1,270,000	561,700	286,591
Fees	4,149,646	3,978,800	3,934,164
Pensions	2,674,000	3,079,752	3,048,482
Insurance - Vehicles	245,000	135,956	81,718
Insurance - Equipment & Staff	769,000	774,099	762,419
Acquisition of Non-Financial Assets	5,070,000	1,670,000	1,747,791
National Leadership Engine / Positive Habits	2,000,000	2,500,000	229,378
Platform for smart ideas	800,000	500,000	192,865
Promotion, Communication & Sensitisation	2,600,000	2,639,658	1,347,880
Productivity and Competitiveness Academy	2,650,000	2,869,589	2,961,191
Productivity and Quality Improvement Programmes	100,000	100,000	-
Research Analysis / Development of Productivity best practices and standards	610,000	700,000	424,186
ICT for Innovation and Entrepreneurship	160,000	160,000	-
Productivity Alliance for Entrepreneurs	500,000	100,000	-
InnovEd	800,000	300,000	190,289
Innovation	100,000	100,000	-
Productivity Programme in Rodrigues	300,000	380,000	356,387
Productivity Committee	150,000		
Networking	200,000	323,035	185,228
Knowledge Centre	255,000	513,769	429,613
Total	78,976,204	64,817,349	60,090,426

Statement showing variances between Revised Estimates and Actual Expenditures for the period ended 30 June 2017

Details	Revised Estimates	Financial Statements	Variation	Comments on variations above Rs 100,000
	Rs	Rs	Rs	
Salaries and Allowances	30,968,737	31,701,616	(732,879)	Financial statements include increase in provision of Vacation Leaves amounting to Rs 1.2M not budgeted for.
Travelling & Transport	3,354,048	3,328,753	25,295	
Overtime	120,426	112,488	7,938	
Staff Welfare	115,127	108,906	6,221	
Contribution to the N.S.F.	181,996	178,311	3,685	
Cost of Utilities	907,082	959,158	(52,076)	
Fuel & Oil - Vehicles	120,592	117,055	3,537	
Rental of Building	6,121,944	6,121,944	-	
Office Equipment	266,800	196,075	70,725	
Office Furniture	86,675	16,675	70,000	
Office Expenses	411,935	464,308	(52,373)	
Maintenance	179,113	145,549	33,564	
Publications and Stationery	596,516	461,406	135,110	Provision for printing of report - expenditure did not materialise.
Overseas Travel	561,700	286,591	275,109	Proposed mission to Asia did not materialise.
Fees	3,978,800	3,934,164	44,636	
Pensions	3,079,752	3,048,482	31,270	
Insurance - Vehicles	135,956	81,718	54,238	
Insurance - Equipment & Staff	774,099	762,419	11,680	
Acquisition of Non-Financial Assets	1,670,000	1,747,791	(77,791)	
National Leadership Engine	2,500,000	229,378	2,270,622	Due to delay in implementation of project. Consultancy services, training and other expenses will be incurred in 2017/2018
Platform for smart ideas	500,000	192,865	307,135	Project is ongoing and expenditure will be incurred in 2017/2018
Promotion, Communication & Sensitisation	2,639,658	1,347,880	1,291,778	Provision for communication campaign on radio - same will now start in 2017/2018
Productivity and Competitiveness Academy	2,869,589	2,961,191	(91,602)	
Productivity and Quality Improvement Programmes	100,000	-	100,000	No expenditure incurred in the project.
Research Analysis / Development of				
Productivity best practices and standards	700,000	424,186	275,814	Project is ongoing and expenditure will be incurred in 2017/2018
ICT for Innovation and Entrepreneurship	160,000	-	160,000	Project started in July 2017
Productivity Alliance for Entrepreneurs	100,000	-	100,000	Project not materialised
InnovEd	300,000	190,289	109,711	Project is ongoing and expenditure will be incurred in 2017/2018
Innovation	100,000	-	100,000	Project delayed
Productivity Programme in Rodrigues	380,000	356,387	23,613	
Networking	323,035	185,228	137,807	Provision made for membership fees to International organisation, not materialised.
Knowledge Centre	513,769	429,613	84,156	
Total	64,817,349	60,090,426		

Notes for the Period Ended 30 June 2017

1. GENERAL INFORMATION

The National Productivity and Competitiveness Council (NPCC) was established as a corporate body under the National Productivity and Competitiveness Council Act Number 9 of 1999 and came into operation in May 2000. The office of the NPCC is presently located at 3rd floor, Catalyst Building, Ebene, Cybercity.

The object of the Council is to stimulate and generate productivity and quality consciousness and drive the productivity and quality movement in all sectors of the economy with a view to raising national output and achieving sustained growth and international competitiveness. The Council therefore designed the implementation of actions based on four main strategic thrust as follows:

- Promotion of Productivity and Competitiveness Issues of National Interest
- Promotion of Innovation
- Improvement of Business Environment and Corporate Productivity
- Empowering people

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standard Board (IPSASB) which is a Board of the International Federation of Accountants Committee (IFAC).

Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) of the International Accounting Standards Board (IASB) are applied.

Going Concern

The financial statements have been prepared on a going-concern basis and the accounting policies have been applied consistently throughout the period. They have been prepared on the historical cost basis.

Estimates and Assumptions

The preparation of financial statements in conformity with IPSAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The financial statements are presented in Mauritian Rupees.

Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in accordance with IPSAS requires the NPCC's management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgement and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Standards issued but not yet effective

IPSAS 3 (Accounting Policies, Changes in Accounting Estimates and Errors) requires disclosure of new IPSAS that have been issued but are not yet effective.

At the date of authorisation of the financial statements, the following relevant Standards and Interpretations were in issue but not yet effective.

- IPSAS 39, Employee Benefits, will replace IPSAS 25, Employee Benefits (Effective date January 1, 2018)
- IPSAS 40, Public Sector Combinations (Effective date January 1, 2019)

Change in Accounting Period

With a change in the Government financial year from January/December to July/June in 2015, the Accounts have been prepared for an 18-month period ending 30 June 2017.

Notes for the Period Ended 30 June 2017 (continued)

3. Measurement Base

The accounting principles recognized as appropriate for the measurement and reporting of the financial performance, cash flows, and financial position on an accrual basis using historical cost are followed in the preparation of the financial statements.

4. Accounting Policies

The following specific accounting policies that materially affect the measurement of financial performance and the financial position are applied:

(a) Revenue Recognition

Income

Income is measured at the fair value of the consideration received and is derived mainly from training and consultancy services.

Government Grant

The revenue necessary to finance the expenditure of NPCC is derived from the National Assembly by means of the Annual Estimates and the corresponding Appropriation Act. Government recurrent grant is recognized to the extent that expenditure has been incurred.

(b) Trade and Other Receivables

Trade receivables do not carry any interest and are stated at their nominal value. The carrying amount of trade receivables is reduced when a trade receivable is uncollectible.

(c) Leased assets

NPCC does not have any finance leases.

(d) Foreign currency transactions

Transactions in foreign currencies are translated to Mauritian rupee at the exchange rate ruling at the date of transaction.

(e) Employee Entitlements

Employee entitlements to salaries, pension costs, and other benefits are recognized when they are earned. Employees are allowed to bank sick leaves not taken at the end of each calendar year up to a maximum of 110 days. The balance of bank sick leave is valued at the end of the financial year and is recognised as long term payables. Beyond this ceiling of 110 days, officers are refunded part of the annual entitlement of sick leaves not taken at the end of every calendar year and is expensed to the Statement of Financial Performance. Furthermore, employees on a permanent and pensionable establishment are entitled to 11 casual leaves per annum and any unutilised leaves, up to a maximum of 3, is refunded.

Defined Benefits Pension Plan

The Council makes provision for retirement benefits in respect of all employees who are on establishment under the Statutory Bodies Pension Act. The NPCC Staff Pension Fund is a defined benefit plan and its assets are managed by the SICOM Ltd. The cost of providing the benefit is determined in accordance with an actuarial review.

The assets of the funded plan are held and administered by the SICOM Ltd.

The defined benefit pension plan for the Council is based on the report submitted by SICOM Ltd, as at 30 June 2017 "see note 18".

Notes for the Period Ended 30 June 2017 (continued)

(f) Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated in the Statement of Financial Position at cost less accumulated depreciation. PPE are depreciated (as outlined below) at rates estimated to recognise the consumption of economic benefits of the property, plant and equipment over their useful lives.

Depreciation

Depreciation is calculated on a straight-line basis to recognise the consumption of economic benefits of an asset over its useful life. A full year depreciation is provided in the year of purchase and no depreciation is charged in the year of disposal.

The estimated useful lives of property, plant and equipment are as follows:

Furniture Fixtures & Fittings	10 years
Office Equipment	6.67 years
Computer Equipment	4 years
Motor Vehicles	5 years

(g) Statement of Cash Flows

The Cash Flow Statement is prepared using the indirect method.

(h) Operating Lease Obligations

Leases where substantially all the risks and rewards of ownership remain with the lessor are classified as operating leases. Payments of rent made under operating leases are charged in the Statement of Financial Performance on a straight-line basis over the term of the lease.

NPCC renewed the operating lease with Laser Informatics Ltd, for office space at Catalyst Building, Ebene in May 2017 for a further period of three years. Operating lease payments for the period ended 30th June 2017 were Rs 6,121,944. (year ended December 2015: Rs 4,081,296). The monthly rental is presently Rs 340,108.

(i) Risk Management Policies

Financial risks

The NPCC, as a public sector entity, is not much exposed to financial risks.

Credit risk

In the normal course of business, NPCC incurs credit risk from trade accounts receivable. NPCC manages its exposure to credit risk by an effective debtors reporting system.

Interest rate risk

NPCC is not exposed to any interest rate risk on car loans to staff as it is government secured. The interest rate risk associated with car loans to staff is considered minimal.

Liquidity risk

This refers to the possibility of default by the Council to meet its obligations because of unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funding, cash flow is managed regularly and actions taken accordingly.

(j) Employee Disclosure

As at 30 June 2017, NPCC had 31 full-time employees, out of whom 2 employees are on leave without pay, and 1 trainee.

(k) Key Management Personnel

NPCC is governed by a management with key personnel that, at 30 June 2017, included two Heads of Division who are responsible for operating the various activities of the organisation. The aggregate remunerations of key management personnel was Rs 5.9 M for the period 1st January 2016 to 30th June 2017, which are all short term benefits.

Notes for the Period Ended 30 June 2017 (continued)

(l) Related Parties

For the purposes of these financial statements, parties which are considered to be related to the NPCC are other government ministries/ departments and parastatal bodies if they have the ability, directly or indirectly, to control the NPCC or exercise significant influence over the financial and operating decision making, or vice versa. Related parties may be individuals or other entities. There were no transactions conducted with related parties other than at arm's length.

(n) Held-to-Maturity Investments

Investments with fixed payments at maturity dates, that the Council has the positive intent and ability to hold to maturity are classified as held-to-maturity investments.

(m) Trade Payables

Trade payables are not interest bearing and are stated at their nominal value.

5. TRADE AND OTHER RECEIVABLES

30 June 2017 31 December 2015

	Rs	Rs
Debtors	699,357	387,900
Prepayments	935,311	292,316
Deposits	1,063,324	1,071,324
Advances - Car loan granted by government to Staff	2,661,128	3,273,251
	<u>5,359,120</u>	<u>5,024,791</u>

Notes for the Period Ended 30 June 2017 (continued)

6. PROPERTY, PLANT AND EQUIPMENT

	Furniture Fixtures & Fittings Rs	Office Equipment Rs	IT Equipment Rs	Motor Vehicles Rs	Total Rs
COST					
At 1 Jan 2016	4,500,555	891,029	1,845,306	747,300	7,984,190
Additions	16,675	196,075	632,791	1,400,000	2,245,541
Disposal / Written off				(747,300)	(747,300)
At 30 June 2017	4,517,230	1,087,104	2,478,097	1,400,000	9,482,431
DEPRECIATION					
At 1 Jan 2016	881,319	747,182	1,508,828	747,300	3,884,629
Charge for the year	677,584	83,541	429,282	420,000	1,610,407
Disposal / Written off				(747,300)	(747,300)
At 30 June 2017	1,558,903	830,723	1,938,110	420,000	4,747,736
NET BOOK VALUES					
At 30 June 2017	2,958,327	256,381	539,987	980,000	4,734,695
At 31 December 2015	3,619,236	143,847	336,478	-	4,099,561

Notes for the Period Ended 30 June 2017 (continued)

7. TRADE & OTHER PAYABLES

	30 June 2017	31 December 2015
	Rs	Rs
Trade payables	185,655	788,088
Other payables and accruals	3,071,055	784,631
	<u>3,256,710</u>	<u>1,572,719</u>

8. SHORT TERM EMPLOYEE BENEFITS

Short Term Car Loan – ‘see note 9 (a)’	829,598	775,455
Provision for leaves refund - ‘see note 9(b)’	-	488,116
Provision for Passage benefits - ‘see note 9(c)’	864,000	669,000
	<u>1,693,598</u>	<u>1,932,571</u>

9. LONG TERM EMPLOYEE BENEFITS

Long Term Car Loan – ‘see note 9 (a)’	1,831,530	2,497,796
Provision for Leaves refund – ‘see note 9(b)’	9,095,536	6,811,334
Provision for Passage Benefits – ‘see note 9(c)’	115,043	213,091
	<u>11,042,109</u>	<u>9,522,221</u>

Notes for the Period Ended 30 June 2017 (continued)

9. (a) Car loan - refundable by staff

	30 June 2017	31 December 2015
	Rs	Rs
Amount due	2,661,128	3,273,251
Deduct : Amount falling due within one year	(829,598)	(775,455)
Amount falling due after more than one year	<u>1,831,530</u>	<u>2,497,796</u>

9. (b) Provision for Leaves refund

At start of the period	7,299,450	6,783,454
Payment during the period	(488,116)	-
Provision for the period	2,284,202	515,996
At end of the period	<u>9,095,536</u>	<u>7,299,450</u>
Deduct : Amount falling due within one year	-	488,116
Amount falling due after more than one year	<u>9,095,536</u>	<u>6,811,334</u>

9. (c) Provision for Passage Benefits

At start of the year	882,091	685,614
Payments during the year	(920,895)	(255,998)
Provision for the year	1,017,847	452,475
At end of the year	<u>979,043</u>	<u>882,091</u>
Deduct : Amount falling due within one year	864,000	669,000
Amount falling due after more than one year	<u>115,043</u>	<u>213,091</u>

Notes for the Period Ended 30 June 2017 (continued)

10. GENERAL FUND

	30 June 2017	31 December 2015
	Rs	Rs
Balance at start of year	7,842,133	6,624,958
Surplus for the period	6,759,625	1,217,175
Balance at close of year	<u>14,601,758</u>	<u>7,842,133</u>

11. INCOME

Productivity Academy - International Speakers	1,211,100	3,819,600
- Other training	1,999,200	3,376,426
Productivity Improvement Programme	<u>3,629,198</u>	<u>484,900</u>
	<u>6,839,498</u>	<u>7,680,926</u>

12. GOVERNMENT GRANT

Grant Received	58,556,067	33,800,000
National Resilience Fund	-	2,000,000
Less deferred grant (in respect of Productivity Campaign on TV & Radio)	<u>(2,259,855)</u>	<u>-</u>
	<u>56,296,212</u>	<u>35,800,000</u>

13. OTHER INCOME

Interest received	13,853	84,190
Rental of conference room	113,030	18,075
Miscellaneous income	239,834	253,246
Grant from other Organisations	1,832,635	-
Gain on disposal of Van	<u>305,000</u>	<u>-</u>
	<u>2,504,352</u>	<u>355,511</u>

Notes for the Period Ended 30 June 2017 (continued)

14. STAFF COSTS

	30 June 2017	31 December 2015
	Rs	Rs
Salaries and allowances	31,701,616	21,096,583
Travelling & Transport	3,328,753	2,085,539
Overtime	112,488	78,361
Staff Welfare	108,906	89,601
Contribution to the N.S.F.	178,311	128,183
Pensions	2,593,028	1,208,228
Family Protection Scheme	455,454	192,165
Gratuities	-	1,022,761
	<u>38,478,556</u>	<u>25,901,420</u>

15. ADMINISTRATIVE COSTS

Cost of utilities	959,158	574,893
Fuel & oil - vehicles	117,055	90,735
Rental of building	6,121,944	4,081,296
Office expenses ***	464,308	301,255
Maintenance	145,549	168,435
Publications and stationery	461,406	265,957
Overseas travel	286,591	148,507
Fees	3,934,164	1,087,691
Insurance - vehicles	81,718	38,490
Insurance - staff & equipment	762,419	493,573
	<u>13,334,312</u>	<u>7,250,832</u>

*** Expenses for cleaning services have been included in Office expenses

16. OTHER EXPENSES

Training and consultancy	1,923,300	779,302
Promotion, communication & sensitisation	488,025	138,885
National Leadership Engine	229,378	-
Platform for Smart Ideas	192,865	-
Knowledge centre	429,613	90,931
International networking	185,228	124,906
Innovation	190,289	381,594
International Speaker	1,037,891	7,280,914
Productivity Improvement Programme in Rodrigues	356,387	-
Research and Analysis	424,186	-
	<u>5,457,162</u>	<u>8,796,532</u>

Notes for the Period Ended 30 June 2017 (continued)

17. HELD-TO-MATURITY INVESTMENTS

	30 June 2017	31 December 2015
	Rs	Rs
Fixed term deposit held in Bank and Financial Institutions		
(i) ABC Banking Corporation Ltd		
(ii) CIM Finance Ltd	4,000,000	
	1,000,000	
	<u>5,000,000</u>	<u>-</u>

18. RETIREMENT BENEFIT OBLIGATIONS

	18 months period ending 30 June 2017	Year ending 31 December 2015
	Rs	Rs
Amounts recognised in statement of financial position at end of the year:		
Present value of funded obligation	25,205,555	17,899,208
(Fair value of plan assets)	<u>(16,876,716)</u>	<u>(12,926,830)</u>
	8,328,839	4,972,378
Present value of unfunded obligation	0	0
Unrecognised actuarial gain/(loss)	<u>(9,944,599)</u>	<u>(6,474,475)</u>
Liability recognised in statement of financial position at end of year	<u>(1,615,760)</u>	<u>(1,502,097)</u>
Amounts recognised in statement of financial performance:		
Current service cost	2,066,146	1,146,411
Employee Contributions	(967,847)	(493,575)
Fund expenses	56,683	68,897
Interest cost	1,745,173	1,094,472
(Expected return on plan assets)	<u>(1,394,087)</u>	<u>(909,024)</u>
Actuarial loss/(gain) recognised	246,555	165,776
Past service cost recognised	0	0
Total, included in staff costs	<u>1,752,623</u>	<u>1,072,957</u>
Movements in liability recognised in statement of financial position:		
At start of year	(1,502,097)	(1,641,765)
Total staff cost as above	1,752,623	1,072,957
(Actuarial reserves transferred in)	0	(69,533)
(Contributions paid by employer)	<u>(1,866,286)</u>	<u>(863,756)</u>
At end of year	<u>(1,615,760)</u>	<u>(1,502,097)</u>
Actual return on plan assets:	1,206,893	146,879
Main actuarial assumptions at end of year:		
Discount rate	6.50%	7.50%
Expected rate of return on plan assets	6.50%	7.50%
Future salary increases	4.00%	5.00%
Future pension increases	3.00%	3.50%

The assets of the plan are invested in funds managed by State Insurance Company of Mauritius Ltd.
The discount rate is determined by reference to market yields on bonds.

Notes for the Period Ended 30 June 2017 (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (Continued)

	18 months period ending 30 June 2017	Year ending 31 December 2015
Reconciliation of the present value of defined benefit obligation	Rs	Rs
Present value of obligation at start of period	17,899,208	14,592,961
Current service cost	2,066,146	1,146,411
Interest cost	1,745,173	1,094,472
(Benefits paid)	(34,457)	(37,163)
Liability (gain)/loss	3,529,485	1,102,527
Present value of obligation at end of period	<u>25,205,555</u>	<u>17,899,208</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	12,926,830	11,459,917
Expected return on plan assets	1,394,087	909,024
Employer contributions	1,866,286	863,756
Employee Contributions	967,847	493,575
Actuarial reserves transferred in	-	69,533
(Benefits paid + other outgo)	(91,140)	(106,060)
Asset gain/(loss)	(187,194)	(762,915)
Fair value of plan assets at end of period	<u>16,876,716</u>	<u>12,926,830</u>
Distribution of plan assets at end of period		
Percentage of assets at end of year	Jun-17	Dec-15
Fixed Interest securities and cash	56.6%	58.1%
Loans	4.4%	4.3%
Local equities	15.8%	15.9%
Overseas bonds and equities	22.6%	21.0%
Property	0.6%	0.7%
Total	<u>100%</u>	<u>100%</u>
Additional disclosure on assets issued or used by the reporting entity		
Percentage of assets at end of year	June 2017	December 2015
	(%)	(%)
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0
History of obligations, assets and experience adjustments		
Year	30 June 2017	December 2015
Currency	Rs	Rs
Fair value of plan assets	16,876,716	12,926,830
(Present value of defined benefit obligation)	(25,205,555)	(17,899,208)
Surplus/(deficit)	<u>(8,328,839)</u>	<u>(4,972,378)</u>
Asset experience gain/(loss) during the period	(187,194)	(762,915)
Liability experience gain/(loss) during the period	(3,529,485)	(1,102,527)
Year	2017/2018	
Expected employer contributions	1,280,810	



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