

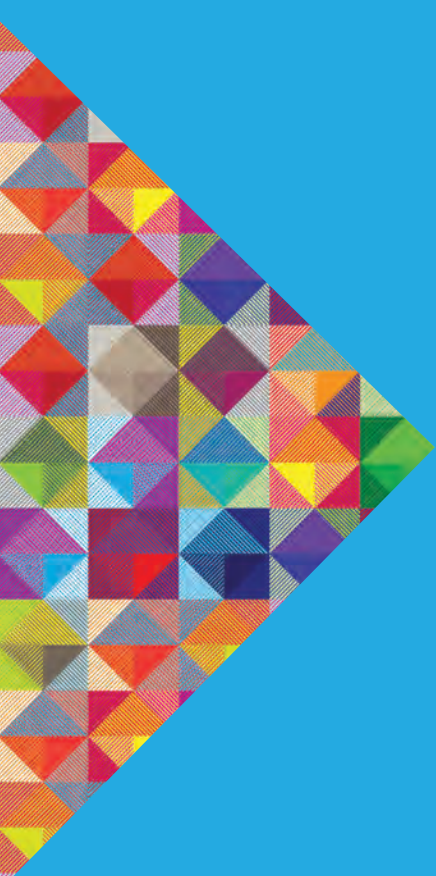
NPCC

Ansam pou enn meyer kalite lavi

National Productivity and Competitiveness Council

ANNUAL REPORT 2017-2018

www.npccmauritus.org



Contents

4	Letter from the Chairman
6	Performance Report from the Executive Director
12	Corporate Governance
18	Strategic Planning
22	Business Development and Consultancy
26	Research and Knowledge Management
30	Innovation, Advocacy and Entrepreneurship
36	Productivity and Competitiveness Learning Centre
40	Corporate Services
44	International Networking
46	Report of the Director of Audit
50	Final Accounts

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-wide 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.

VISION

BETTER LIVING FOR THE NATION

CORE OBJECTIVE

DEVELOPMENT OF A PRODUCTIVITY CULTURE

VALUES

EXCELLENCE

COMMITMENT

INNOVATION

CONTINUOUS LEARNING

TEAM SPIRIT

GUIDING PRINCIPLES

EMPOWERMENT

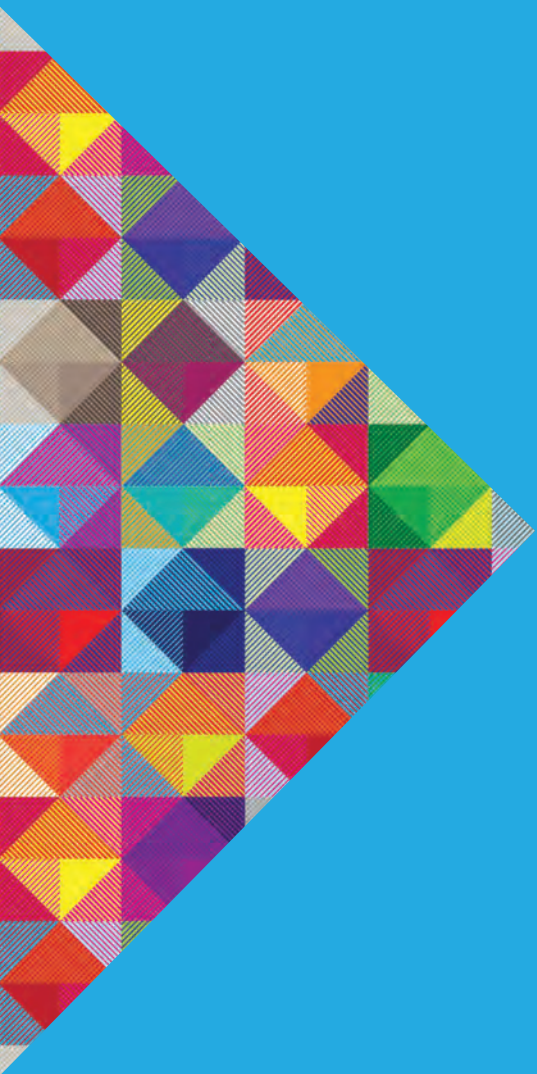
EDUCATION

EMPLOYABILITY

ENTREPRENEURSHIP

MISSION

MAKE MAURITIUS WORK. TOGETHER



**LETTER
FROM THE CHAIRMAN**



LETTER FROM THE CHAIRMAN



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

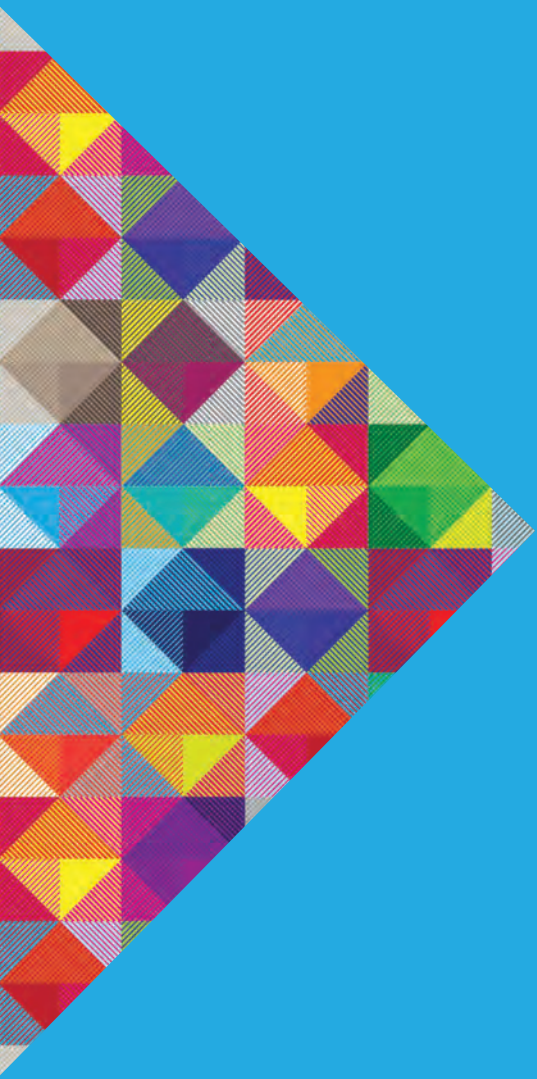
Dear Minister,

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 financial period 1 July 2017 to 30 June 2018.

Yours faithfully,



S. Mulloo
Chairman



**PERFORMANCE REPORT
FROM THE EXECUTIVE DIRECTOR**

PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR



Deepak Balgobin
Executive Director

It is a great pleasure for me to present the Annual Report of the National Productivity and Competitiveness Council (NPCC) for 2017-2018, my first year at the helm of this important Organization.

Uplifting productivity

Amid an undercurrent of geopolitical tensions, punctuated by escalating global trade disputes and episodes of financial stress and volatility, economic growth accelerated in more than half of the world's economies in both 2017 and 2018. Benefiting from these better global conditions, the Mauritian economy continued gaining momentum in 2017/2018 and grew by 3.8 % in 2017 compared to 3.7 % in 2016.

Mauritius sustained its position as the most competitive nation in Africa for the fourth consecutive year – according to the Global Competitiveness Report 2017/2018 published by the World Economic Forum. Out of 137 countries, the country maintained its same ranking, at 45th, however with a slightly improved overall score. The Doing Business 2018 (DB2018) report by the World Bank ranked Mauritius 25th out of 190 economies (DB2017: 23/190).

While economic indicators remained largely favourable, according to Statistics Mauritius, labour productivity grew on an annual average rate of 2.5 % during the period 2007-2017 compared to 4.1 % during 1997-2006. In 2017, labour productivity grew at 2.4 % compared to 3.4 % in 2016. Capital productivity which measures how well physical capital (machinery and buildings) is used in providing goods and services declined at an average of 0.1% from 2007-2017. An increase of 0.9 % was observed in 2017, after that of 1.1 % in 2016. Multifactor Productivity, which is defined as the rate of change in "productive efficiency", grew at an average of 0.9 % per annum during the period 2007-2017.

Against this backdrop, 2017/2018 was a momentous year for NPCC as it set out to continue implementing goals and objectives as per its Strategic Plan 2016-2019 'Unleashing Full Potential through Positive Habits'. To meet the high expectations of our stakeholders, we focused on several key projects. I am pleased to report that considerable progress has been achieved in all of these areas, and to share related developments with you in this Annual Report.

Highlights 2017/2018

Enterprise Productivity and Quality Improvement

More and more enterprises are nowadays seeking the support of the NPCC to implement Productivity and Quality Improvement programmes with a view to improve operational efficiency and deliver value to customers.

- 68 enterprises (large, medium and small) have been serviced by our Business Development and Consultancy Department from July 2017 to June 2018 through a customised productivity and quality improvement programme.
- The collaboration with the Association of Mauritian Manufacturers (AMM) to popularise the Made in Moris brand has been ongoing during the year with a pilot project of 20 SMEs.
- The Government of Japan, through the Japan Productivity Centre (JPC) reiterated its collaboration to implement the model company project in 2017/2018. The project was completed in January 2018 with three companies in the service sector namely Axxess of ENL Group, Scomat of IBL Group and Rey & Lenferna Ltd. The main achievements have been an increase in labour productivity, improved customer service with less waiting time, recovering of space leading to significant reduction in operational cost, savings in terms of faster processing of orders and reduced stock outs.

National Productivity and Quality Convention (NPQC) 2018

The National productivity and Quality Convention (NPQC) was launched in April 2018 with the objective of sharing, benchmarking and recognising outstanding quality improvement projects implemented in organisations. As at 30th June 2018, 114 organisations including 24 SMEs, 36 Large Companies and 54 Government/Parastatal/NGOs registered to showcase their value creation to enhance productivity and competitiveness in their organisations. A national convention would take place in the next financial year, with assessments and an Award Ceremony. The six grand winners would represent Mauritius in the International Convention on Quality Control Circles (ICQCC) to be held in Sentosa, Singapore from 22-25 October 2018.

Competitiveness Foresight II: Laying the foundation for the next quantum leap

The second Competitiveness Foresight exercise was organized with the objective of triggering thinking and providing the platform to key stakeholders from the public, private sector 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 so as to promote inclusive growth and accelerate the country's transition into a high-income economy. A national workshop was facilitated by Mr. Abdulla Verachia, Chief Executive Officer of the Strategists (PTY) Ltd. 73 participants, prominent leaders within the business sector and policymakers attended the workshop.

Four priority areas on which Mauritius could focus for the next quantum leap were identified during the workshop:

- Brand Mauritius
- Leadership and culture
- Innovation, Industry 4.0
- Reimagining tourism

It is envisaged to engage subject matter experts who have deep expertise in the four thematic areas to devise strategies/ key actions to be undertaken to promote competitiveness.



PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR

Research on the topic “The Ageing Workforce: Challenges and Opportunities for Mauritius”

A research on the theme “Ageing Workforce: Challenges and Opportunities for Mauritius” was initiated. The overall objective of the research is to engage relevant stakeholders in the design and implementation of a strategic action plan to address the issue of an ageing workforce in the short, medium and long term. The research will be finalized and the report published in 2018/2019.

Productivity and Competitiveness Review 2017

The “Productivity and Competitiveness Review 2017” has been published and disseminated. The document highlights the salient features of the productivity and competitiveness performance of the country to guide specific policy choices to be made to bolster inclusive and sustainable growth.

Research on leadership in the public sector

As part of the implementation of the Mauritius Leadership Brand, the NPCC collaborated with the University of Strathclyde, Glasgow, to conduct leadership development research for the public sector in Mauritius. The first stage of the research project consisted of conducting a Training Needs Analysis (TNA) in the public sector pertaining to leadership to inform the design of leadership programmes for the public sector.

Catching Them Young to Innovate

(i) InnovEd (Innovation in the Education sector) 2018

The Award ceremony for InnovEd 2018, a project which aims at promoting an innovative culture among Mauritian students and to ultimately create a nation of Innovators, was held in May 2018 with 600 participants. 58 secondary schools and 3 MITD training centers had registered in the categories of Cultural Heritage, Languages & Publishing, Interactive Media, Design, Visual Arts & Crafts and Performing Art. Two workshops were conducted by Jake Mendelsohn from the Science, Technology, Engineering, and Math linked to Invention and Entrepreneurship (STEMIE) Coalition, USA on “Achieving success in education through innovation” for secondary schools’ students and “Inventing your future – The next steps?” for tertiary level students.

(ii) Innovation for Students

- A workshop on Augmented Reality, 'Ignite your brain with Augmented Reality' was organised for Secondary schools students in collaboration with EoN Reality. The objective of the workshop was to develop the ability of students to be creative using an Augmented Reality platform. 120 students attended the training.
- The 'Alice by Oracle' workshop was conducted with a view to provide opportunities to students aged 9-12 years to develop their creativity through basic programming on digital platforms of Oracle, named Alice. 147 students attended the course.
- The pilot project on ICT for Innovation through Internet of Things (IoT) targeting University of Mauritius students was implemented. Following training of students during the last financial year; students were required to visit enterprises and to come up with innovative solutions to problems faced using IoT. Three projects have reached prototype level.



Innovation in Enterprises

- In-plant, hands-on workshop on Creativity and Innovation was conducted in two companies.
- An Innovation & Branding Exercise was conducted for Baz'ART Kreasion, an ENL Foundation women empowerment initiative focusing on training and integration of unemployed ladies in the region of Saint Pierre.

Advocacy

The Contract for the National Leadership Engine project has been allocated and the project will be implemented in the next financial year. The objective is to build leadership capabilities among youth and empower them to be agents of change at community level. It is proposed to train 100 trainers and 500 youth in the first year. The youth would be expected to come up with a community based project which will be showcased during a convention next year.

Productivity and Quality Training

Continuous capacity development is a prime opportunity to expand the knowledge base of employees. The NPCC has through its Productivity and Competitiveness Learning Centre provided several soft skills and technical programmes with a view to empower employees and organisations to improve productivity and adherence to quality standards. 875 participants were trained during the financial year.

Future Orientations

The NPCC has turned eighteen years old in 2017/2018. The government has also set out a vision for a high-income, sustainable and inclusive economy that will improve the quality of life for citizens. A Strategic Plan, covering the years from 2018 to 2020, which charts a path toward advanced economy status and greater inclusion has also been designed and increasing productivity has been identified as one of the key challenges which must be addressed for the country to join the league of high-income countries (Rising to the Challenges of Our Ambitions, The Three-Year Strategic Plan 2017/18-2019/20, Ministry of Finance and Economic Development).

Against this backdrop, and acknowledging the important role that the organisation is called upon to play in coming years, it is proposed to revisit the role and structure of the NPCC in 2018/2019 so as to stay relevant to stakeholders in a rapidly digitalizing environment.

Acknowledgement

The achievements have been possible with the collective effort of all our stakeholders who relentlessly supported us in achieving our vision of a better living for the nation.

I seize this opportunity to thank Hon Dharmendar Sesungkur, Minister of Financial Services and Good Governance for his leadership, guidance and for making available the necessary funding for us to execute our strategy and achieve the set objectives. My deepest appreciation and thanks to the Chairman, the Vice Chairman and Council members for their unflinching support in driving the Productivity Movement. I would also like to thank the dedicated NPCC team for their commitment to meet all deadlines which has enabled us to complete the financial year successfully.

Last but not least, a special thanks to our partners, both local and international for trusting the NPCC.



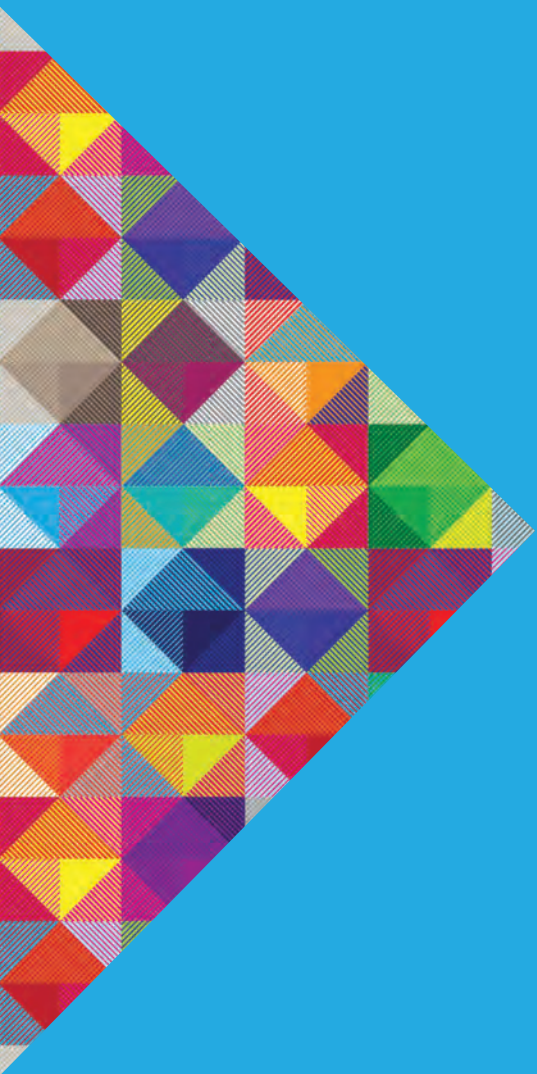
Deepak Balgobin
Executive Director



As we pursue our goal of a High Income Economy, it is important that wealth creation and social development are coupled under the inclusiveness umbrella.

Hon Pravind Kumar Jugnauth





**CORPORATE
GOVERNANCE**



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDING 30TH JUNE 2018

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 July 2017 to June 2018

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 AND GOOD GOVERNANCE)

Mrs. Bandeene SIBDOYAL, was Deputy Permanent Secretary (DPS) at the Ministry of Financial Services and Good Governance. She started her career in the late 80s in government service and climbed the ladder during successive years to the position of DPS. After the Ministry of Financial Services and Good Governance, she was posted at the Public Service Commission. She was replaced by Mrs. Sheela Mohesh, former Assistant Permanent Secretary at the Ministry of Financial Services and Good Governance in November 2017. Mrs. Mohesh was then replaced by Mr. Nankumar Seewoosurn, Assistant Permanent Secretary at the Ministry of Financial and Good Governance in January 2018. Mr. Nankumar Seewoosurn was subsequently replaced by Mr. Sarwansingh Purmessur, Deputy Permanent Secretary as the representative of the ministry of Financial Services and Good Governance as from May 2018.

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

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 of 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 and resigned 25 January 2018.

Mr. Ahmad MACKY is a foreign correspondent for British publications including the Daily Herald and the Daily Observer as well as Mauritius News in the UK. He holds a Diploma in Journalism from the London School of Journalism and is a member of the National Union of Journalists of England, Wales, Northern Ireland and Scotland. He is also a member of the International Federation of Journalists. Mr. Macky was nominated council member upon the resignation of Mrs. Wong.

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. Bandeene Sibdoyal, replaced by Mr. Nankumar Seewoochurn and then by Mr. Sarwansingh Purmessur
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. Mr. Ahmad Macky
4. Mrs. Danielle Wong (Until 25 January 2018)

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. Mr. Sanjiv Mulloo (Chairman)
2. Mr. Ahmad Macky
3. Mrs. Sheela Mohesh
4. Mrs. Danielle Wong, CSK (Until 25 January 2018)



Statement of Attendance to Council meetings (July 2017 to June 2018)

NO. OF COUNCIL MEETINGS HELD: 14	NO. OF MEETINGS ATTENDED
Mr. Sanjiv MULLOO (Chairperson) Mr. D. TOWOKUL (Vice Chairman)	14 13
MEMBER REPRESENTING THE INTERESTS OF GOVERNMENT (MINISTRY OF FINANCIAL SERVICES, GOOD GOVERNANCE AND INSTITUTIONAL REFORMS) Mrs. Bandeenee SIBDOYAL (June to November 2017) Mrs. Sheela MOHESH (November to December 2017) Mr. Nankumar SEEWOOCHURN (January to April 2018) Mr. Sarwansingh PURMESSUR (As from May 2018)	5 1 5 3
MEMBER REPRESENTING THE INTERESTS OF PRIVATE SECTOR Mr. Pradeep DURSUN	5
MEMBER REPRESENTING THE INTEREST OF THE FEDERATION OF TRADE UNIONS Mr. Rashid IMRITH	13
MEMBERS DRAWN FROM INDUSTRY, ASSOCIATIONS AND CONSUMER ORGANISATIONS Mrs. Danielle WONG, CSK (resigned on 25 January 2018) Mr. Ahmud MACKY	5 14
CO-OPTED MEMBER FROM RODRIGUES Mrs. Annmaid FRANCOIS	6

Statement of Attendance to Finance Committee meetings

NO. OF FINANCE COMMITTEE MEETING HELD: 9	NO. OF MEETINGS ATTENDED
Mrs. Bandeenee SIBDOYAL (June to November 2017) Mr. Nankumar SEEWOOCHURN (January to April 2018) Mr. Sarwansingh PURMESSUR (As from May 2018)	4 1 2
Mr. Dharmanjay Singh TOWOKUL Mr. Pradeep DURSUN Mr. Rashid IMRITH	9 3 8

Statement of Attendance to Human Resource Committee meetings

NO. OF HUMAN RESOURCE COMMITTEE MEETINGS HELD: 11	NO. OF MEETINGS ATTENDED
Mr. Rashid IMRITH (Chairperson)	11
Mr. Dharmanjay Singh TOWOKUL	11
Mrs. Danielle WONG, CSK (Until 25 January 2018)	4
Mr. Ahmud MACKY	11

Statement of Attendance to Corporate Governance Committee meetings

NO. OF CORPORATE GOVERNANCE MEETINGS HELD: 1	NO. OF MEETINGS ATTENDED
Mr. Sanjiv MULLOO (Chairman)	1
Mr. Ahmud MACKY	1
Mrs. Sheela MOHESH	1
Mrs. Danielle WONG, CSK (Until 25 January 2018)	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 July 2017 to June 2018

COUNCIL/COMMITTEE MEMBERS	COUNCIL AND COMMITTEE FEES (RS)
Mr. Sanjiv Mulloo	613,000
Mr. Dharmanjay Singh Towokul	451,000
Mrs. Bandeenee Sibdoyal	85,000
Mr. Pradeep Dursun	117,000
Mr. Rashid Imrith	209,000
Mrs. Danielle Wong CSK (Until 25 Jan 2018)	123,800
Mr. Ahmud Macky	178,000
Mr. Nankumar Seewoochurn	47,000
Mr. Sarwansingh Purmessur	32,000

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.



We must become the change we want to see.

Mahatma Gandhi





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 A. Macky

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.

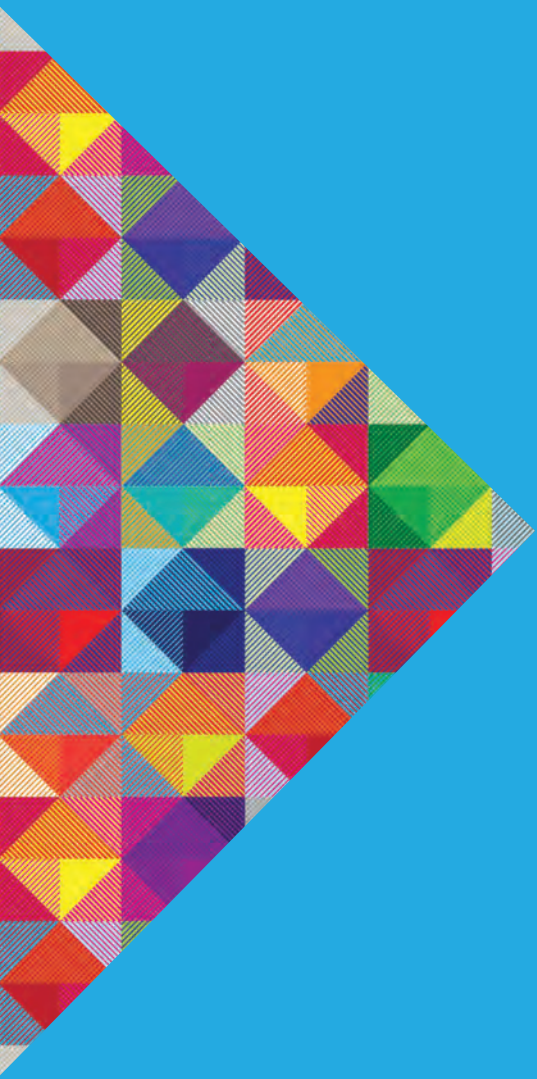
Signed on behalf of the National Productivity and Competitiveness Council.

Mr S. Mulloo

Chairman

Mr A. Macky

Vice Chairman



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

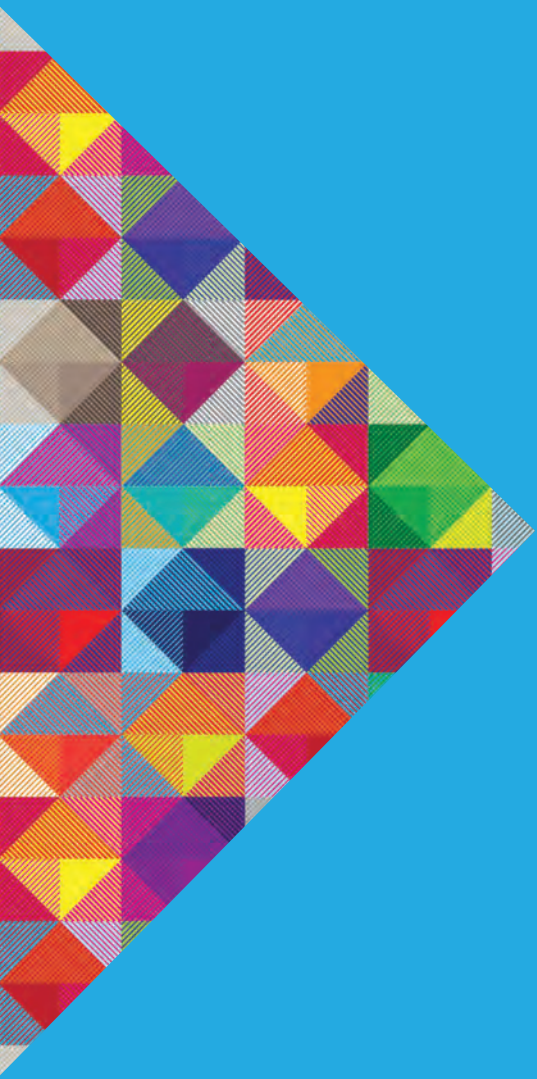
We are aware that the future has many challenges and opportunities in store for us. But we are convinced that if we all rally behind the action plan and make productivity our priority (public sector, private sector, trade unions and civil society) and value positive habits, patriotism, pride in work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



If you're walking down the right path and you're willing to keep walking, eventually you'll make progress.

Barack Obama





**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. The NPCC implements the Enterprise Transformation Programme (ETP) in organisations including large, medium, small and micro enterprises. The ETP is an in-plant consultancy solution with practical training to continuously improve effectiveness and efficiency in both the private and public sectors. Through the ETP, the NPCC intervenes in organizations to improve workplace performance, quality and productivity. The NPCC also assesses the business needs and assists companies in aligning people and processes for the business to deliver results and secure significant productivity gains. It is worth noting that 68 enterprises (large, medium and small) have been serviced from July 2017 to June 2018 through a customized ETP.

Model companies project

Three local companies, namely Scomat Ltée, Axess and Rey & Lenferna were selected as model companies to inspire other enterprises in Africa and to act as trendsetters in improving productivity by adopting best practices. These companies were selected by the Ministry of Economy, Trade and Industry (METI) of Japan through the Japan Productivity Centre (JPC). Following the Sixth Tokyo International Conference on African Development (TICAD VI) in August 2016 and the METI funded action planning session by the JPC for the Pan African Productivity Association (PAPA) in Mauritius in February 2017, the METI sponsored the Model Company project in Mauritius for the year 2017-2018.



Knowledge Sharing Seminar

A Knowledge Sharing seminar was organised on Thursday 30 August 2017 for some 20 owners and managers of Small and Medium Enterprises (SMEs) that had implemented the Productivity and Quality Improvement Programme (PQIP). The seminar was a culmination point of a joint initiative undertaken by the NPCC and Enterprise Mauritius (EM) to implement PQIP in the 20 SMEs selected by EM.

The NPCC had signed an agreement in July 2016 with EM to implement this project. The 20 companies were shortlisted after an audit conducted in a total of 43 SMEs. The areas of improvement included productivity, quality, strategy, finance, 5S (good housekeeping) inventory management and marketing.



Seminar on 'Productivity Improvement Strategies in Japan: New Trends and Experiences of Management and Production Techniques'

The Japan Embassy in collaboration with the National Productivity and Competitiveness Council (NPCC) and the Japan Productivity Centre (JPC) organized a seminar on the theme Productivity Improvement Strategies in Japan: New Trends and Experiences of Management and Production Techniques on Friday 13 October at the BPML Conference Hall, Cyber Tower 1, Ebène. The seminar laid emphasis on strategies and techniques adopted by Japanese enterprises and recent developments in relation to management and productivity. The seminar intended to strengthen the bilateral relations between Mauritius and Japan. The NPCC has been driving the Model Companies project in Mauritius together with the experts from the JPC involved in its implementation since 2007. Under this project, Japanese experts engage in the application of KAIZEN and lean management techniques in enterprises and conduct training for middle managers and supervisors of the Model Companies.



Japanese Kaizen concept for productivity improvement in Mauritian companies

A seminar was organized on Friday 26 January 2018 on the theme "Japanese Kaizen concept for productivity improvement in Mauritian companies" at the Ravenala Attitude Hotel, Balaclava. The seminar was a culmination point in the Model Companies project, an initiative of the Japan Productivity Centre (JPC) implemented along with the NPCC. The three local companies that were selected for this project are Axess, Scomat and Rey & Lenferna.

The three companies were invited in the seminar to showcase the positive transformation that they have experienced under the guidance of and with training from the JPC and the NPCC in the respective organisations. The purpose of the workshop was to share the achievements and experiences of the three companies. These companies have successfully embedded the 5S and Kaizen philosophy.



National Productivity and Quality Convention 2018

The first National Productivity and Quality Convention (NPQC 2018) was launched on 19 April 2018. NPQC is a platform for quality and productivity practitioners from public and private organisations in Mauritius to showcase their achievements in productivity and quality projects. The convention aimed at recognizing the outstanding productivity and quality improvement initiatives of teams from public and private organisations.

As at June 2018, 114 organisations, including 24 Small and Medium Enterprises (SMEs), 36 Large Companies and 54 Government/Parastatal/NGOs registered to showcase their projects to enhance productivity and competitiveness in their organisations.



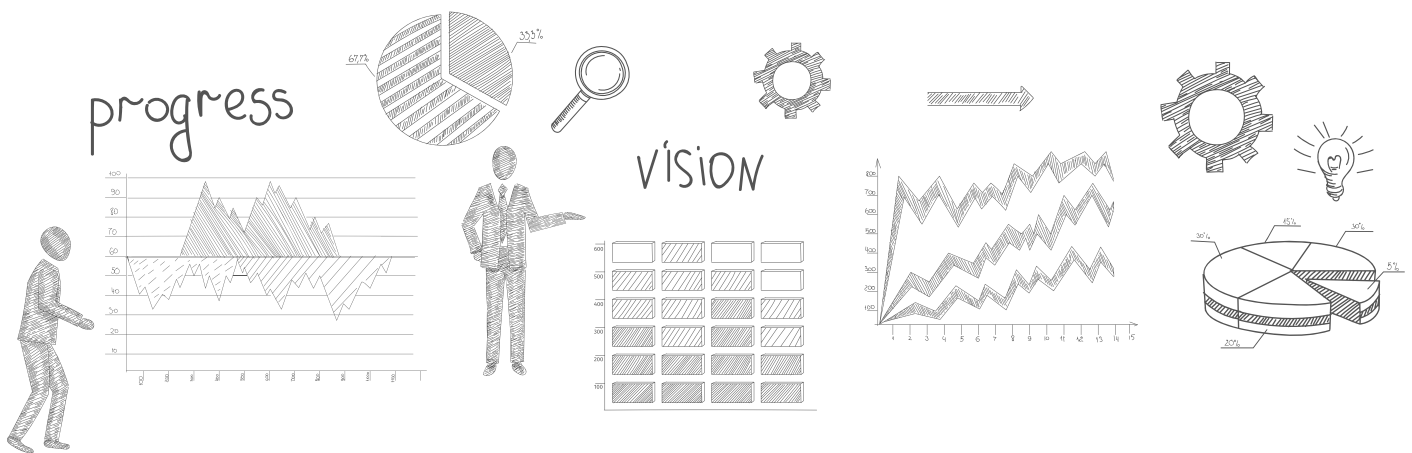


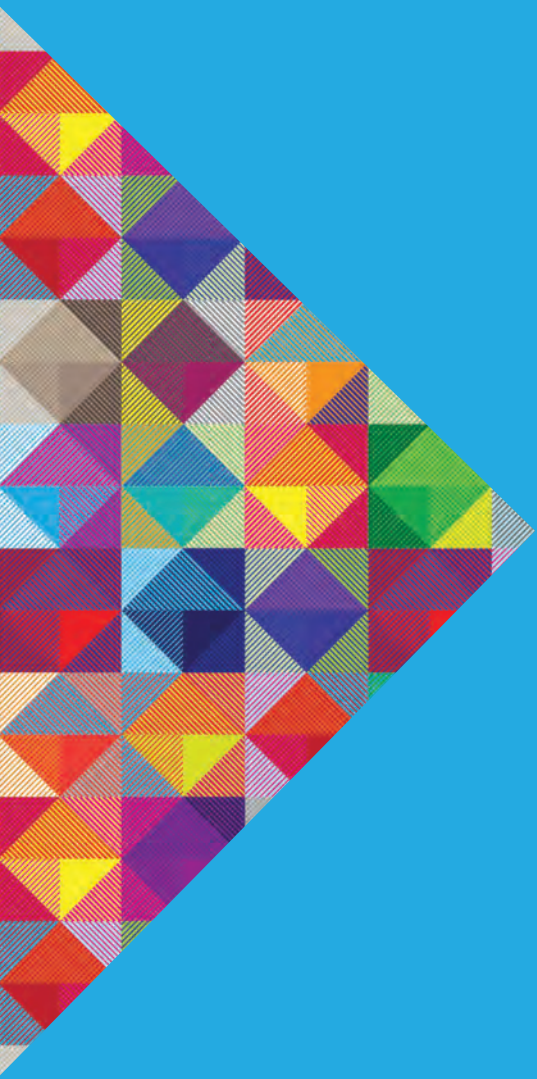
BUSINESS DEVELOPMENT AND CONSULTANCY

Consultancy Activities

The following companies have been serviced by the NPCC during the financial year 2017/2018:

- Froid des Mascareignes
- Logidis
- Winners
 - Vacoas
 - Coromandel
 - Forest Side
 - Plaine Magnien
 - Bambous
 - St Pierre
 - Boundary (Rose Hill)
 - St Paul
 - Rose Belle
 - Port Louis
 - Chemin Grenier
 - Bel Air
- Archemics Ltd
- Airlane Travel and Tours
- World Knits Ltd
- Sofap Ltd
- Food Select
- Pere Laval
- Manisa Co Ltd
- Lavan Furniture
- Prime Products
- Tout en Alu
- Mashow
- Zakda Wrought Iron Industries Ltd
- Brighthouse Ltd
- V Kanhye Health Food Co Ltd
- Mauriseed Ltd
- Pom d'Or
- RicActuel
- Top Detergents
- Prajo
- Hampa
- Glass Gallery
- Best Graphics





**RESEARCH
AND KNOWLEDGE MANAGEMENT**



RESEARCH AND KNOWLEDGE MANAGEMENT

The Research, Advisory 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 and development, promotional activities and training related to productivity and competitiveness.

Feed Your Mind During Lunchtime sessions

A series of Feed Your Mind During Lunchtime sessions was organised.

The project "Developing the capacity for competitive intelligence - Feed you mind at lunchtime", which was in line with the NPCC's Strategic Plan 2016- 2019 and the objective of the Knowledge Centre , aimed to make knowledge on productivity and competitiveness issues accessible to everyone.

Mr. Arshad Abdool, Chief Executive Officer (CEO) of Innostra, a leadership and high performance training/coaching company led the workshop on the work environment and the relationship between staff at different levels of an organisation. Sister Niti, the coordinator of the Inner Space Meditation Centre, a branch of the Brahma Kumari World Spiritual University, conducted a workshop on 4 October on the theme 'Peace for Productivity'.

Dr. Oomesh Gukhool, Senior Lecturer at the Department of Software and Information Systems, Faculty of Information, Communication and Digital Technologies at the University of Mauritius, led another workshop on the Internet of Things (IoT). This session on 29 August focused on how businesses in many parts of the world are presently shaping their strategies around the IoT concept.



Mr. Alex Zhang spoke on the theme "What we can learn from mobile app industry in China and the West" at the November session. Mr. Zhang spoke about the latest mobile app trends abroad from which we can learn how to introduce innovation in Mauritius.



Our vision and commitment is towards the country's progress, its place in the world and the happiness of its people.

Narendra Modi



Research on “Ageing Workforce: Challenges and Opportunities for the Republic of Mauritius”

The NPCC started in March 2018 a research on the topic “Ageing Workforce: Challenges and Opportunities for the Republic of Mauritius” with the objective to engage relevant stakeholders in the design and implementation of a strategic action plan to address the issue of an ageing workforce in the short, medium and long term. The rationale for the research is based on the fact that an ageing population is threatening future growth in Mauritius. As the population ages, so will the workforce. Managing this ageing workforce will pose a new set of challenges for employers, employees, trade unions and government in relation to employment, productivity, skill shortages, the ability to meet changing demand, working conditions, living standards, welfare and health care provision.

Enhancing the competitive position of Mauritius: Laying the foundation for the next quantum leap

Some 75 stakeholders of the local economy gathered on the 26 and 27 September 2017 at the Sofitel Mauritius L’Imperial Resort and Spa where they discussed about giving a new orientation for an increasingly competitive Mauritius in the coming years in the context of the Competitiveness Foresight Exercise. The workshop was conducted by Mr. Abdullah Verachia, Chief Executive Officer (CEO) of the Strategists group, South Africa and had as theme: “Enhancing the competitive position of Mauritius: Laying the foundation for the next quantum leap”.

The workshop aimed at crafting strategies to initiate the transformation of Mauritius into a more competitive and resilient economy. This is expected to promote inclusive growth and accelerate the country’s transition into a high income economy.

One of the fundamental tasks of Mr. Verachia in the two-day workshop was to trigger thinking and provide the platform to key stakeholders from the public, private and other relevant sectors to reflect upon the current competitiveness status of the country.





RESEARCH AND KNOWLEDGE MANAGEMENT



Workshop on Disruption, disintermediation and digital

A workshop on competitive strategy in a complex and rapidly evolving environment was organised on 29 September 2017 in collaboration with the UOM. This public seminar, delivered by Abdulla Verachia on how disruption is impacting all sectors and gives nuanced and granular view on the winners and losers in various sectors. About 75 participants attended the seminar.



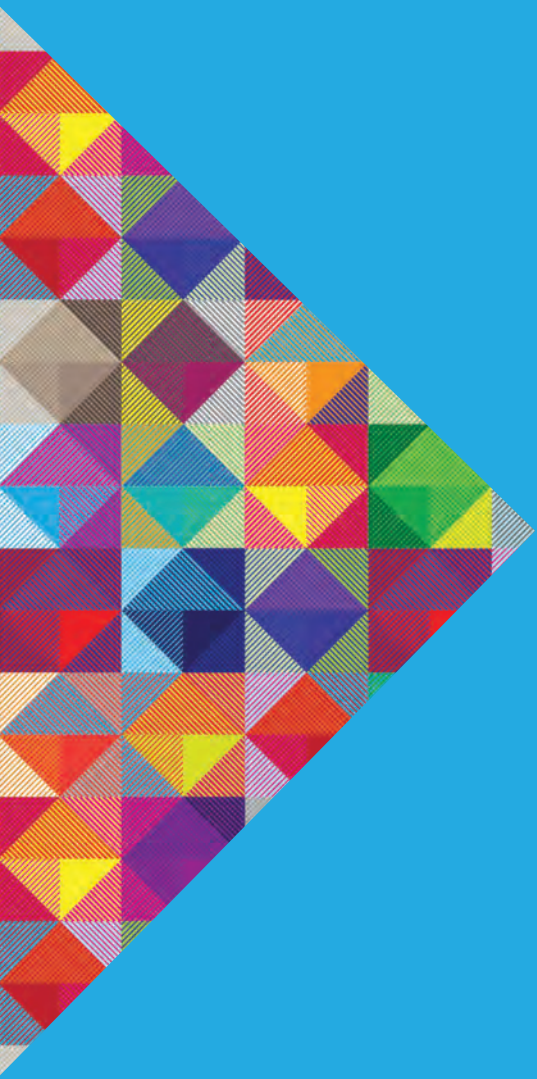
Leadership programmes for the public sector

Professor Barbara Simpson from the University of Strathclyde, Glasgow, Scotland, an expert in leadership, was in Mauritius in November 2017 in the context of a research project to develop leadership programmes for the public sector. The NPCC had sought the collaboration of the University of Strathclyde and the Civil Service College, Mauritius, in 2016 to conduct a research study on leadership in the public sector. The mission of Professor Simpson in Mauritius consisted of conducting a research and appreciative inquiry circles for which she met with a number of stakeholders in the public sector during that week.

Professor Simpson conducted a workshop on the theme 'New Leadership for Interesting Times' on 16 November 2017. The workshop was organized in collaboration with the University of Mauritius. 75 participants attended the seminar.

Workshop on women participation in the economy

A workshop on the theme Women Participation in the Economy was organised at the GyanAsha Hall in Melrose on 26 April 2018. The event saw the participation of more than 1000 women from the eastern region of the island. The focus of the workshop was on the emancipation and better integration of women in the national economy. The workshop was also an opportunity for women to learn about the services offered by the NPCC.



**INNOVATION, ADVOCACY AND
ENTREPRENEURSHIP**



INNOVATION, ADVOCACY AND ENTREPRENEURSHIP

The Innovation, Advocacy and Entrepreneurship unit of the NPCC has been at the forefront with national projects geared towards the promotion of an innovation culture productivity concepts. Many of the unit's projects have targeted schools and universities, women associations, corporates, public and private sector organisations and a host of other audiences. The unit implemented the InnovED project for secondary schools and the Mauritius Institute of Training and Development (MITD) centres as well as other projects.

InnovED 2017 (INNOVATION FOR THE EDUCATION SECTOR)

InnovEd 2017 Award was held on 22nd February 2018 in the presence of Mr. Meettook, Permanent Secretary, Ministry of Education and Human Resources, Tertiary Education and Scientific Research. The event was graced by the Chairman and Vice-Chairman of the NPCC, a representative from Ministry of Good Governance and Financial Services, the Executive Director of MITD, the Director of Planning & Budgeting, Ministry of Education, Managers of Training Centres of MITD and Facilitators from participating colleges. Overall, there were 10 teams that were rewarded with tokens and certificates for their participation.

InnovED 2018

InnovEd 2018 Award was held on 11th June 2018 in the presence of Hon Dharmendar Sesungr, Minister of Financial Services and Good Governance and other eminent personalities. For the occasion of InnovEd 2018, Mr Jake Mendelssohn, the Outreach Director for the Connecticut Invention Convention, acted as resource person for two workshops organised on the 11th 2018 on the theme: Achieving success in education through innovation targeting secondary students and on the 12th June 2018 on the theme: Inventing your future – The next steps?, targeting tertiary students. More than 550 participants attended each workshop.



70 teams were rewarded with tokens and certificates for their participation. The teams were assessed under six different themes as follows:

- Cultural Heritage
- Languages & Publishing
- Interactive Media
- Design
- Visual Arts & Crafts
- Performing Arts

Le Marechal College from Rodrigues participated for InnovEd 2018 and their training and assessment were conducted via Skype.



Sponsors & Collaborators

SBM

- The State Bank of Mauritius(SBM)

accenturetechnology

- Accenture sponsored 2 themes: design and interactive media and acted as the technology partner for NPCC. The company provided free training workshops in design and interactive media.



WINNERS

WINNERS



INNOVATION, ADVOCACY AND ENTREPRENEURSHIP



Creativity is thinking up new things. Innovation is doing new things.

Theodore Levitt



List of Winners InnovED 2018

Theme	List of Winners	Category	Title
Interactive Media	MPS Sharma Jugdambi SSS	Upper	A mobile application titled as student Companion Mauritius
	Knowledge Based Training Center	MITD	A prototype on "Bridging Innovative Internet Based Technology to the Elderly & Disabled Person"
Cultural Heritage	College Ideal	Lower	Okri Mousar
	New Educational College	Upper	4-in-1 Game mat (A prototype involving 4 games namely sapsiwaye, canette, laryaz, cheena (gotti).
Performing Arts	Phoenix SSS	Lower	A sketch based on Drug addicts
	Sir Leckraz Teelock SSS	Upper	A slam titled as "Instilling Patriotism among Mauritian Youth"
Visual Arts	Mahatma Gandhi Institute Secondary School	Lower	Prototype : Recycled Art
	Modern College	Upper	Prototype : Child Abuse Photography"
Design	M. P. Sharma Jugdambi SSS	Lower	Prototype: Table Lamp
	Sir Leckraz Teelock SSS	Upper	Prototype : Automatic Drying Rack"
Language and Publishing	Queen Elizabeth College	Lower	A poem on Bullying- Titled Réponse à Jeanne"
	Mahatma Gandhi SSS - Nouvelle France	Upper	A short story on " Pregnancy of Youngsters"

Sensitisation on leadership for young people (Collaboration with Ministry of Youth and Sports)

Young people between 14 and 35 years old were sensitised on leadership during the months of August, September and October 2017 in youth centres. The sensitisation sessions focused on sharing with youngsters the leadership engine project which consists of development of 21st century skills among the youth. The initiative was a prelude to the National Leadership Engine project of the NPCC, which aims at developing leadership capabilities among youth in Mauritius and building leadership at all levels. The sensitisation on leadership was a joint initiative between the NPCC and the Ministry of Youth and Sports. Under this initiative, young people gathered at the Youth Centres on Saturdays to participate in workshops where they had interactions with NPCC consultants who assessed their needs in terms of leadership skills.



Barriers to Innovation

Some 17 women participated in a brainstorming session on the "Barriers to Innovation" on Wednesday 25 October at the Vivéa Business Park in Moka. The initiative was held under the Baz'Art Kreasion Social Enterprise project initiated by the ENL Foundation. The project aimed at empowering women in crafting, life and leadership skills, developing a brand for their products as well as to foster a creative work environments. The project focused on product development of soaps, candles and jewelry and targeted solely unemployed women.



Seven courses were designed and delivered by the NPCC for women and was delivered until April 2018 in areas such as recycled products and opportunities for innovation, innovation tools, branding and marketing of recycled products and the development of a creative work environment. The participants also shared their achievements after the training.

English Literacy Using Information Technology (ELIT)

The NPCC partnered with the Entreprenre au Feminin Ocean Indien to organise ELIT courses for women in 2017. A total of 34 women successfully followed the course. Since the beginning of 2018, 10 trainers have been trained and 15 women have completed the ELIT course. The training were conducted by Nadine Pierre, trainer from EFOI who was responsible for the organization of the training. NPCC provided support in terms of supervision and certification for the ELIT training.



Internet of things (IOT): ICT for Innovation

The ICT for Innovation initiative using IOT was launched on a pilot basis in 2017 and continued throughout the financial year, targeting mainly computer science students from the University of Mauritius who were trained to develop innovative solutions to problems in enterprises through the use of IOT. Some 18 students participated in this initiative in which they had to develop a working business project based on the latest technologies. The NPCC has in this bid partnered with the University of Mauritius and the Centre for Innovative and Lifelong Learning (CILL) to implement the training programme for the students. Three projects reached the prototype level.



INNOVATION, ADVOCACY AND ENTREPRENEURSHIP

Higher Productivity for Young Entrepreneurs

The NPCC partnered with the Jeune Chambre Internationale (JCI) to help young and aspiring entrepreneurs in applying methods and techniques that could give a boost to their businesses and increase their productivity through the Higher Productivity for Young Entrepreneurs course.

Some ten participants enrolled for the course which focused on different areas, namely business goals and business models, leadership and developing capabilities, managing workforce and teamwork, innovation and product development, creating a brand and marketing, improving business processes, managing cash flow and finance, change management and managing risks and expanding business. The course on Higher Productivity for Young Entrepreneurs overall intended to accompany young business people in their journey towards an increase level of productivity and success.



Innovation and Problem Solving at ENL group

Some 29 employees of the ENL group including managers, middle managers, supervisors, team leaders and workers participated in an Innovation and Problem-Solving session on 5 and 7 September in the Conference Room of Axxess in Pailles. The participants had the opportunity to develop their creative skills. They learned how to use a range of creative thinking methods, tools and techniques to generate ideas and solve problems. They also learned how to apply the methods and tools to generate ideas for improving different areas of work. The participants were also trained on how to apply tools and techniques to generate ideas for improving different work areas.

Sensitisation on Innovation and Creativity for Harel Mallac group

The NPCC was approached by the Harel Mallac group in 2017 to assist in the sensitization of employees of the group on innovation and creativity. The project aimed at consolidating the new brand and corporate values of the company. The NPCC provided simple innovative concepts which can be used by the company's employees to conduct a campaign on innovation and creativity. The objective was to create awareness and inspire them to participate in innovation activities organized by different departments.

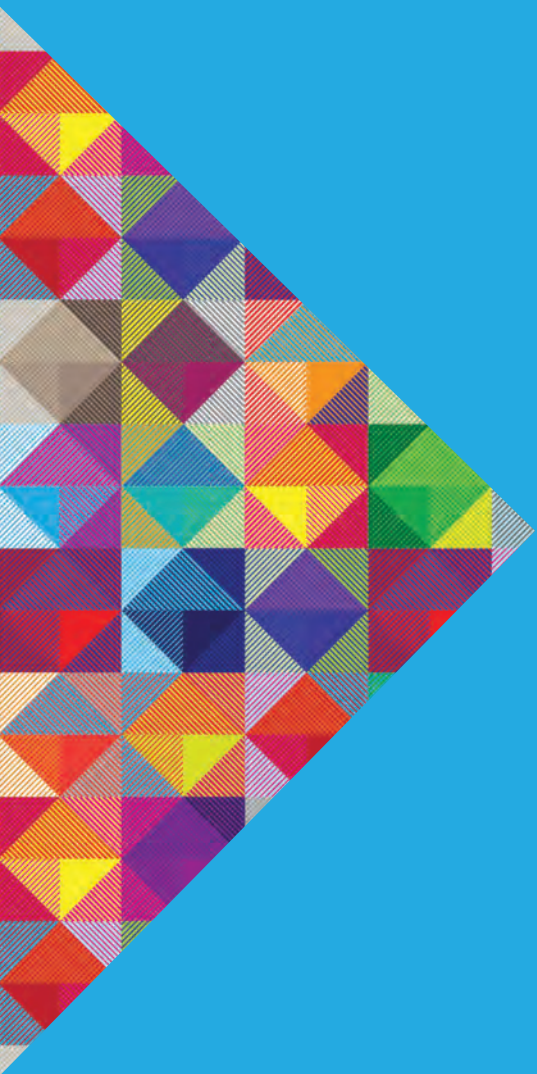
Creativity and Innovation for Rodriguan students

The Coordinator/Acting Head of the Human Resource Development Centre of the Commission for Training in Rodrigues approached the NPCC for a programme for Grade 6 students on Creativity and Innovation. The Rodriguan students were on an education tour in Mauritius together with their teachers. A total of 43 students and 6 teachers attended the workshop on 30 November 2017 at the NPCC.



National Leadership Engine (NLE)

The NLE, an initiative of the NPCC in collaboration with the Ministry of Youth and Sports started to be implemented in 2017 with the objective of developing a leadership pipeline to achieve higher productivity and better living for the nation. Lifetime Learning Training Centre was selected as the consultant. The NLE for the project in June 2018. The cabinet approved the NLE project on 23 June 2017 with a view to putting emphasis on developing leadership capabilities. The Leadership Brand would be based on innovation, excellence and trust. The NPCC would also mount a national campaign to raise awareness on the importance of leadership, and the need to develop leaders to take Mauritius to new horizons.



**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 customised and adapted to the needs of organisations. 24 training courses attended by 1040 participants were conducted during the period under review.

Java programming for young students

A workshop on basic Java programming concepts through developing 3-D animations using the Alice 3.1 software for students aged 9 to 12 years was organized in collaboration with Oracle Mauritius and the University of Mauritius from 1 to 3 August 2017. This workshop was designed for students with little or no programming experience. The objective was to familiarise students with 3-D animation techniques and in a broader sense, for them to make a more productive use of their vacations. The workshop was led by trainers from Oracle. A total of 147 students were trained in three batches over these three days.



Workshop on “Inventing Your Future...The Next Steps?” and “Achieving Success through Education”



Mr. Jake Mendelsohn, the Outreach Director of the Connecticut Invention Convention from USA, was in Mauritius on 12 June to host a workshop for tertiary students on the theme “Inventing Your Future...The Next Steps?” The workshop was conducted at the Octave Wiéhé Auditorium, Réduit and Mr. Mendelsohn explained how Artificial Intelligence (AI) is influencing different economic sectors as well as the lives of people. Mr. Mendelsohn also hosted a first workshop on Monday 11 June for secondary and Mauritius Institute of Training and Development (MITD) students on the theme “Achieving Success through Education”.

Training on Augmented Reality with EON Reality

The NPCC in collaboration with Eon Reality Mauritius Ltd conducted a two-day training on Augmented Reality for students aged 11 years old and above. The objective of the training was to promote a culture of creativity and innovation among youth in Mauritius. Augmented reality is an enhanced version of reality where live direct or indirect views of physical real-world environments are augmented with superimposed computer-generated images over a user’s view of the real-world, thus enhancing one’s current perception of reality. This two-day course was designed primarily for students aged 11 years old and above. The purpose of the training was to ignite the brain of young learners to the world of Augmented Reality. The course immersed student in an interactive environment where they acquired fundamental understandings of creativity and innovation tools through simple exercises in teams. Learners were introduced to TinkerCAD for design of simple 3D objects and Unity for design of simple games to be published as an APP for their mobile phone or tablet. Some 100 students participated in the course.



Train-The-Trainer for On-The-Job Facilitators

The Train-The-Trainer for On-The-Job Facilitators programme which took place in August and November 2017 and in May and July 2018 attracted a good number of participants including team leaders, managers and middle managers. The programme aimed at determining the needs of employees so that they can perform their tasks with effectiveness and efficiency.



Total Quality Management (TQM) for Productivity Improvement

The TQM for Productivity Improvement focused primarily on improving quality and inculcating a quality culture amid organisations on 12 and 13 July 2017. It aimed at explaining the notion of TQM to participants to set up quality improvement initiatives and continuous business improvement. The training was targeted towards middle management and staff, managers and entrepreneurs. The course was also run in Rodrigues on 27 July 2017.



Leadership and Management Training for ICAC

The Leadership and Management Training for ICAC, held on 19, 20, 26 and 27 September 2017, provided participants with the set of skills to increase their effectiveness in their leadership roles. This would ultimately facilitate the organisation to achieve their objectives, goals and targets set. A total of 16 members of the top management of ICAC participated in the training.

Boosting Productivity through Supply Chain Management

This course, which was conducted on 20 and 21 September 2017, was designed to reduce supply chain cost and to show participants how to manage supply chain risks and move away from competition. A total of 9 participants were trained. The training was customized and conducted inhouse for 27 staff of the Central Electricity Board (CEB) from 16 to 30 April.

Branding: Creating and Managing Your Corporate Brand

The Branding course showed participants how to define a brand and the basics of creating visual identity including the brand name, slogan and logo. The participants were exposed to different scenarios. They also had the opportunity to identify a brand's products, the features of those products and their values. The training was conducted on 9 and 10 August 2017 and gathered a total of 10 participants.



Value Stream Mapping

The Value Stream Mapping course offered participants the opportunity to learn the flow of materials and information as a product and making its way through the value stream. In addition to a visual representation of a process, participants were able to identify improvements and significant savings that resulted in a lean value stream. The training was conducted on 22 and 23 November 2017 and gathered 19 participants.





PRODUCTIVITY AND COMPETITIVENESS LEARNING CENTRE

Plug your Brain

The Plug Your Brain course was designed to foster a culture of innovation among the student community. They learned how to think both creatively and analytically in order to solve problems efficiently. The course aimed at developing their employability skills by providing them with the tools, skills and confidence to serve their present and future needs. The training was conducted in the month of December 2017 and attracted 33 students.



Today's Teens Tomorrow's Leaders

The course was designed to inculcate a culture of leadership among students and teach them how to work in teams. The course aimed at honing their leadership skills and empower them to work more effectively in teams. Some 75 students were trained.



Today's Teens Tomorrow's Leaders in Rodrigues

The training was also conducted in Rodrigues in December 2017 for some 40 students and at the National Empowerment Foundation from 16 to 20 July 2018, which targeted some 125 students from poor family background.



Communication Skills and Positive Attitude

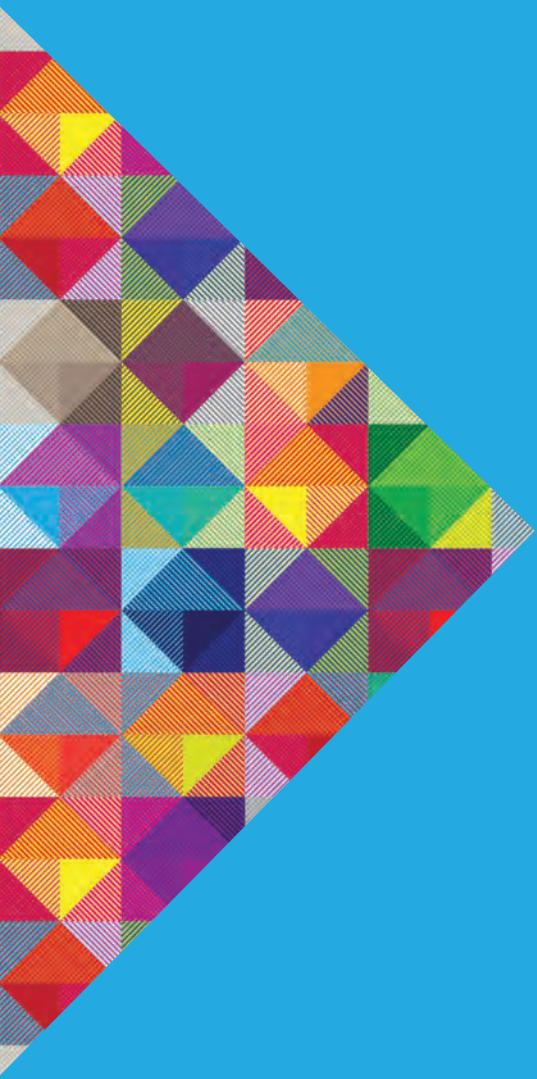
The Communication Skills and Positive Attitude course was designed for employees of the Manufacturing Sector Workers Welfare Fund. They learned how they could adopt the best communication practices in their workplace and how they could get the widest reach for their messages. The training was conducted on 31 August 2017 and 20 September 2017. A total of 50 employees were trained.

Customer Service

The course on Customer Service provided an insight to participants on how to give excellent customer service to customers both inside and outside the organization. The participants learned how to develop and maintain a positive attitude, show extra attentiveness to customers, develop customer friendly attitude and deal effectively with customer complaints and problems. The course was designed for skippers in collaboration with the Tourism Authority on 9 and 10 January 2018. The course gathered 75 skippers.

Leadership skills for women

The Ministry of Gender Equality, Child Development and Family Welfare approached the NPCC to conduct training on "Leadership skills" targeted towards women in the Women Centres across the island. The training consisted of 15 one and a half hour sessions. The modules included Boosting your self-esteem, Leadership and communication skills, Effective Public Speaking and Advocacy and Lobbying. A total of 100 participants attended the training in the Women Centres.



**CORPORATE
SERVICES**



CORPORATE SERVICES

THE TEAM

The total number of staff as at 30th June 2018 was 31. 21 staff were on establishment including one Head Driver Messenger/Office Attendant, one Driver Messenger/Office Attendant and two General/Handy Workers and one Support staff.

INTERNSHIP/ASSIGNMENT

- Ms. Toshni Koobloll, student at the University of Mauritius, served as intern from 29th January to 29th June 2018.
- Ms. Bharathi Kiran Sonea, student having completed her Higher School Certificate (HSC), joined as intern on 29th January 2018 for a period of 10 months.

- Mr. Krishan Seethiah, resigned from his post of Productivity Executive at the NPCC on 21st May 2018.
- Mr. Luvkishan Persand, resigned from his post of Productivity Executive at the NPCC on 06th June 2018.
- Mr. Darsanand Balgobin joined as Executive Director of the NPCC on 29th January 2018.

The following staff joined the NPCC on a contractual basis:

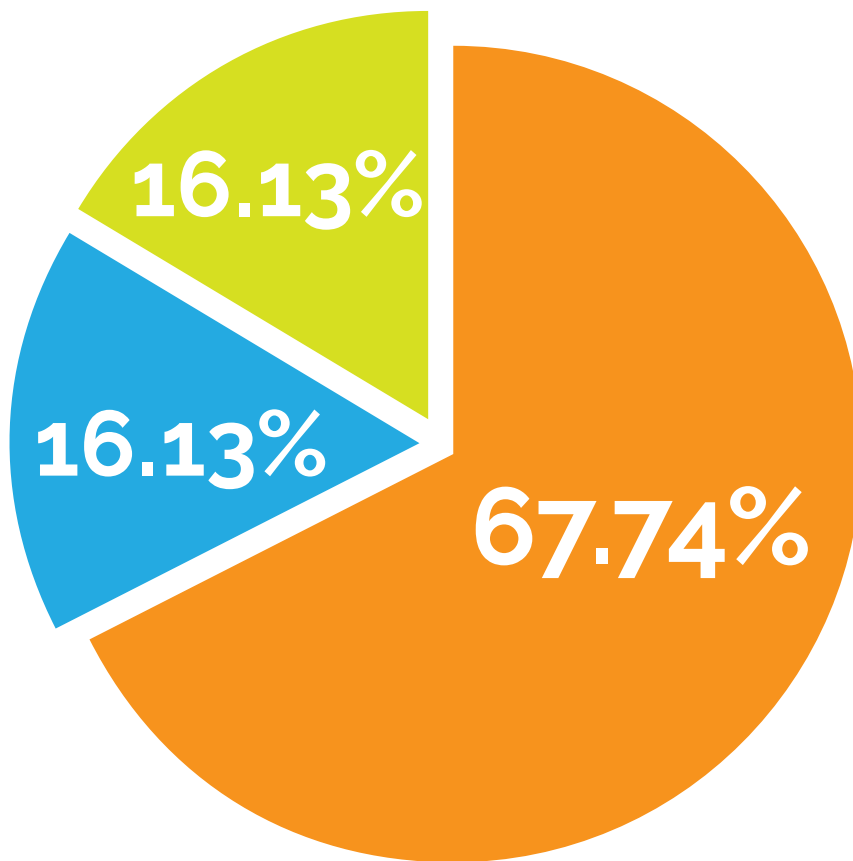
NAME	POST	DATE JOINED
Ms. Selvanaigee Parianen	Productivity Executive, Innovation, Advocacy and Entrepreneurship	30 th October 2017
Mrs. Pushpa Puttur	Information Technology Executive	31 st December 2017
Ms. Deeksha Namah Jagroop	Productivity Executive, Innovation, Advocacy and Entrepreneurship	04 th January 2018

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

	NUMBER OF OFFICERS ON:			
	Pensionable and Permanent Establishment (PPE)	Probation	Contract	Total
Financial Year 2017-2018	21	5	5	31

NPCC STAFFING

Comparative Analysis of the percentage of officers on Permanent & Pensionable Establishment (PPE) and Contract is illustrated in the Pie Chart:



- Contract
- Probation
- Permanent and Pensionable Establishment

% of Officers on the PPE, Contract and Probation

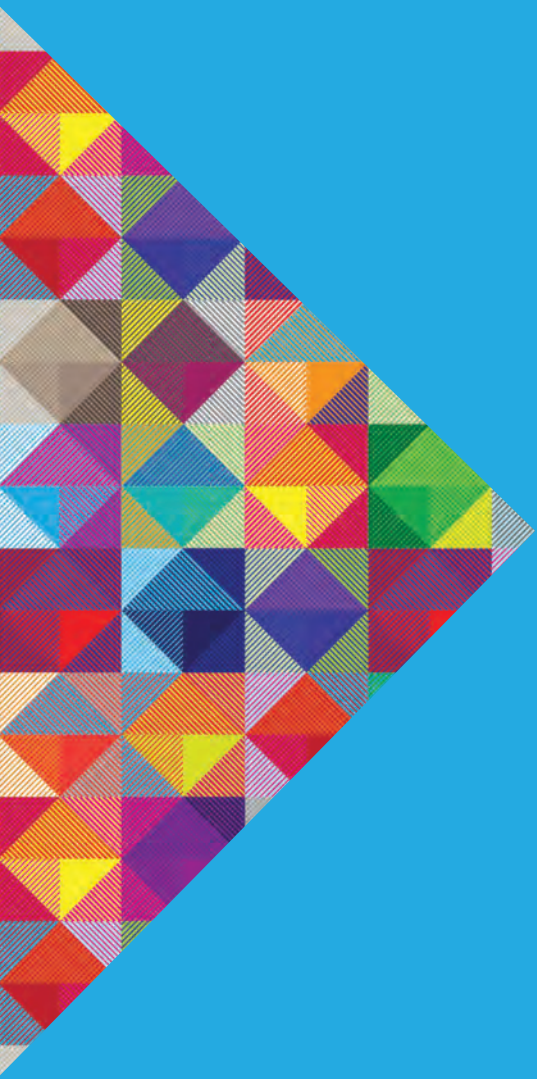


CORPORATE SERVICES

CAPACITY BUILDING

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

- Mrs Vijayelaksmee Goorah, Lead Innovation, Advocacy & Entrepreneurship and Mrs Peggy Moonien, Research and Knowledge Management Executive attended a Conference on "Innovation: A Swiss-Mauritian Perspective" organized by the Mauritius Institute of Directors (MIOD) on 10th August 2017.
- Mr. Sanjiv Mulloo, Chairman and Mr Deodass Appalswamy, Officer in Charge, attended the training course "Economics for Managers" organised by Pluriconseil, on 10th and 11th August 2017.
- Mrs Vijayelaksmee Goorah, Lead Innovation, Advocacy and Entrepreneurship and Mr Thierry Marechal, Innovation, Creativity and Design Specialist attended a masterclass in "Mastering Innovation and Design Thinking in Practice", organised by Global Natives Ltd on 20th and 21st September 2017.
- Mrs Françoise Marechal-Charlotte, Head Business Development and Consultancy, Mr Devesh Beedasy, Communications, Public Relations and Marketing Specialist, Mr Bilal Oozeer, Productivity Executive and Mrs Peggy Moonien, Research and Knowledge Management Executive attended a one-day masterclass by Kevin Gaskell on "Inspiring and Engineering your Organisation to World Class" organised by Whitefield Business School on 17th October 2017.
- Ms Shalini Panchoo, Productivity Executive attended a training program on Corporate Management for Africa in Japan organised by the Overseas Human Resources and Industry Development Association (HIDA) from 11th to 24th October 2017.
- Mrs Shalini Mathaven, Lead Productivity and Competitiveness Learning Centre, attended a workshop on Essentials of Coaching organised by Institutional Experts Services on 23rd and 24th October 2017.
- Mrs Vijayelaksmee Goorah, Lead Innovation, Advocacy and Entrepreneurship attended the training on "La Magie de l'Innovation" organised by Simera Ltd on 24th October 2017.
- Mr Avishay Lallah Ramduth, Productivity Executive attended the training course on "Innovative Thinking Skills" organised by Institutional Experts Services on 26th and 27th October 2017.
- Mr Deodass Appalswamy, Officer in Charge and Mr. Devesh Beedasy, Communications, Public Relations and Marketing Specialist, attended the Transformation 4.0 Leadership workshop organized by Team Synthesis Ltd on 13th November 2017.
- Ms Bhumeeta Ramsohok and Mr Ashvin Seenarain, Productivity Executives attended the program on Production Management for Africa in Japan organised by the Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS) from 29th January 2018 to 09th February 2018.
- Three Productivity Executives namely Ms Deveeka Bundhoo, Mr Krishan Seethiah and Mr Luvkishan Persand attended the training course on Industrial Human Resources Development for Africa; Development of Advanced Productivity Practitioners in Namibia organised by the Asian Productivity Organisation (APO) from 5th to 14th March 2018.
- Mrs Shalini Mathaven, Lead Productivity and Competitiveness Learning Centre, attended a training course on Customer Service Excellence organised by the Civil Service College on 16th May 2018.
- Mrs Annabelle Genevieve-Lebrasse, Human Resource and Administrative Executive attended a training course on Managing Performance in the public sector organized by the Civil Service College on 27th March and 03rd April 2018.
- Mr Devesh Beedasy, Communications, Public Relations and Marketing Specialist and Mr Avishay Lallah Ramduth, Productivity Executive attended the training course on Public Relations (PR) Masterclass organized by the Corporate Leadership Centre on 19th and 20th April 2018.



INTERNATIONAL NETWORKING



INTERNATIONAL NETWORKING

During the financial year, the NPCC has been a member of the following boards/committees/organisations: -

The NPCC is a member of the Pan African Productivity Association (PAPA). As the then 1st Vice President of PAPA, Mr Deodass Appalswamy, Officer in Charge attended the 8th General Assembly of PAPA in Gaborone, Botswana on 7 and 8 November 2017 and was re-elected as First Vice President of PAPA.

Mrs Francoise Marechal-Charlotte, Head Business Development and Consultancy attended the International Convention of Quality Control Circles (ICQCC) 2017 in Manila, Philippines from 24 to 27 October 2017.

Mr Sanjiv Mulloo, Chairman and Mr Deepak Balgobin, Executive Director attended the Industry 4.0 Conference in Manchester, UK from 28 February to 1 March 2018.

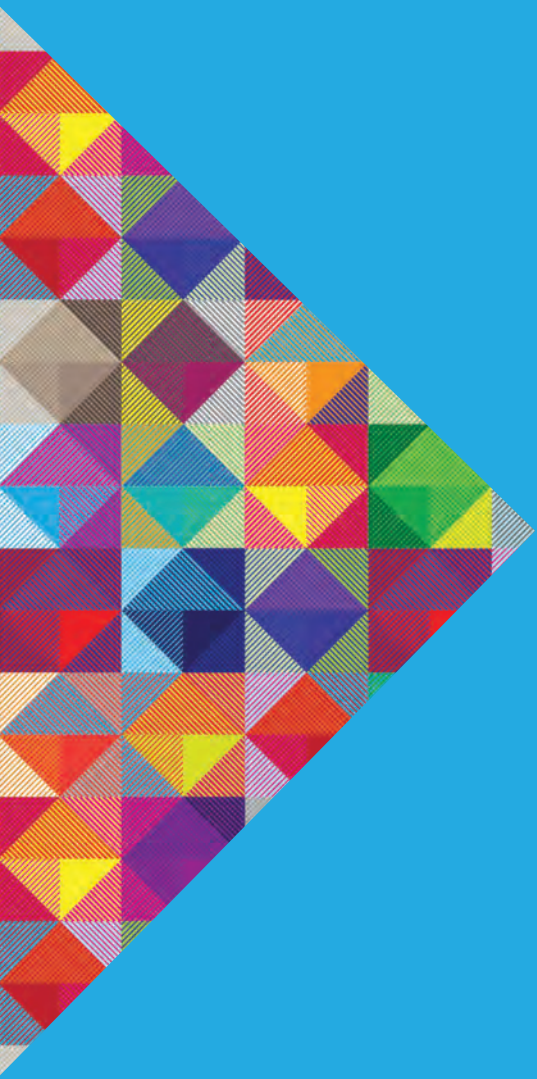
As the new 1st Vice President of PAPA, Mr Deepak Balgobin, Executive Director attended the Board Meeting of the PAPA in Windhoek, Namibia from 14 to 15 March 2018.



Networking is not about just connecting people. It's about connecting people with people, people with ideas, and people with opportunities

Michele Jennae





**REPORT
OF THE DIRECTOR OF AUDIT**



REPORT OF THE DIRECTOR OF AUDIT

REPORT ON THE AUDIT OF 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 at 30 June 2018, and the statement of financial performance, the statement of changes in equity, the statement of cash flows, the statement of comparison of budget and actual amount for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 at 30 June 2018, and of its financial performance and its cash flows for year then ended in accordance with International Public Sector Accounting Standards.

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 National Productivity and Competitiveness Council in accordance with the INTOSAI Code of Ethics 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. 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 of the National Productivity and Competitiveness Council for the year ended 30 June 2018, 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 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 National Productivity and Competitiveness 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 National Productivity and Competitiveness 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 scepticism 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 National Productivity and Competitiveness 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 National Productivity and Competitiveness 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 National Productivity and Competitiveness 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

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statement are in compliance with the laws and authorities which govern them.



REPORT OF THE DIRECTOR OF AUDIT

Auditor's Responsibility

In addition to the responsibility to express an opinion of the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them. This responsibility includes performing procedures to obtain audit evidence about whether the National Productivity and Competitiveness Council's expenditure and income have been applied to the purposes intended by those charges with governance. Such procedures include the assessment of the risks of material non-compliance.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion on Compliance

Statutory Bodies (Accounts and Audit) Act

The financial statements of the National Productivity and Competitiveness Council for the year ended 30 June 2018 were received at my office on 10 December 2018 that is, forty days after the statutory date limit of 31 October 2018. Following examination of the financial statement, various amendments were required. The amended financial statements were submitted on 7 May 2019.

In my opinion, except for the delay in the submission of the financial statements, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Act.

Public Procurement Act

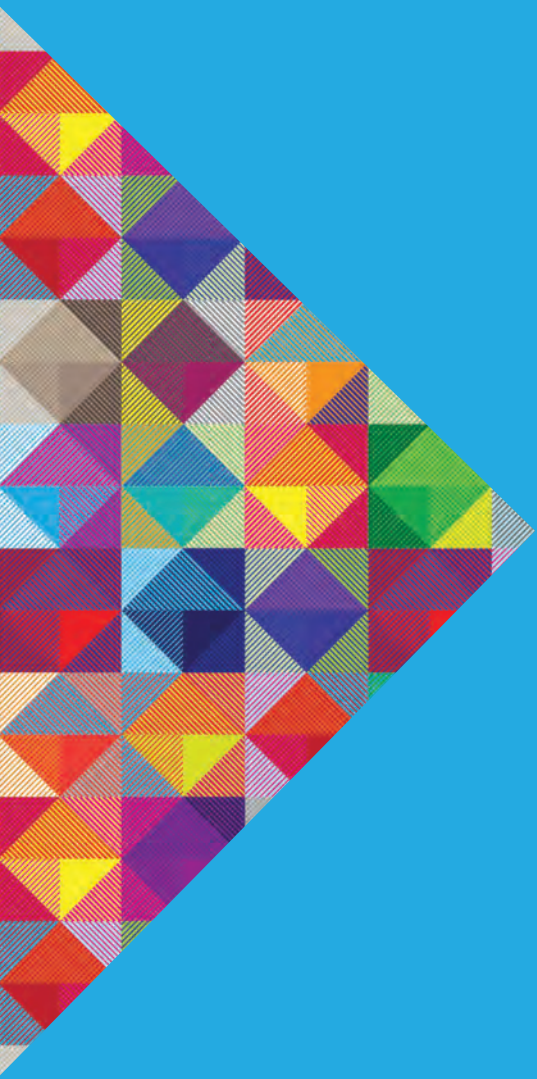
The National Productivity and Competitiveness Council is responsible for the planning and conduct of its procurement. It is also responsible for defining and choosing the appropriate method of procurement and contract type in accordance with the provisions of the Act and relevant Regulations. My responsibility 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 been 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

22 May 2019



**FINAL
ACCOUNTS**

Statement of Financial Position as at 30 June 2018

	NOTES	30 June 2018	30 June 2017
ASSETS			
Current assets			
		Rs	Rs
Cash and Cash Equivalents		19,743,844	13,884,600
Trade and Other Receivables	5	7,902,542	5,359,120
Held-to-Maturity Investments	17	4,000,000	5,000,000
Total current assets		<u>31,646,386</u>	<u>24,243,720</u>
Non-current assets			
Retirement Benefits Assets	18	1,107,194	1,615,760
Property, Plant and Equipment	6	4,003,984	4,734,695
Total non-current assets		<u>5,111,178</u>	<u>6,350,455</u>
Total assets		<u>36,757,564</u>	<u>30,594,175</u>
LIABILITIES			
Current liabilities			
Trade and Other Payables	7	4,165,210	3,256,710
Short Term Employee Benefits	8	2,243,646	1,693,598
Total current liabilities		<u>6,408,856</u>	<u>4,950,308</u>
Non Current liabilities			
Long Term Employee Benefits	9	13,123,474	11,042,109
Total liabilities		<u>19,532,330</u>	<u>15,992,417</u>
Net Assets		<u>17,225,234</u>	<u>14,601,758</u>
EQUITY			
General Fund	10	<u>17,225,234</u>	<u>14,601,758</u>

The Notes to the Accounts from pages 58 to 67 form part of the Financial Statements.


Mr S. Mulloo
Chairman


Mr S. Purmessur
Council Member

Statement of financial performance for the period ended 30 June 2018

	NOTES	12 months ended 30 June 2018	18 months ended 30 June 2017
		Rs	Rs
Revenue			
Income	11	4,753,310	6,839,498
Government Grant	12	46,312,755	56,296,212
Other Income	13	472,403	2,504,352
Total Revenue		51,538,468	65,640,062
Expenses			
Staff costs	14	32,055,550	38,478,556
Administrative costs	15	10,058,495	13,334,312
Other expenses	16	5,687,233	5,457,162
Depreciation	6	1,113,714	1,610,407
Total Expenses		48,914,992	58,880,437
Surplus for the period		2,623,476	6,759,625

Statement of changes in equity for the period ended 30 June 2018

	RESERVES Rs
As at 1 January 2016	7,842,133
Surplus for the period - Jan 2016 - June 2017	<u>6,759,625</u>
As at 30 June 2017	14,601,758
Surplus for the year ended 30 June 2018	2,623,476
As at 30 June 2018	<u><u>17,225,234</u></u>

Statement of cash flows for the period ended 30 June 2018

	12 months ended 30 June 2018	18 months ended 30 June 2017
	Rs	Rs
A. Cash flow from operating activities		
Surplus for the year	2,623,476	6,759,625
Adjustments for non-cash movements		
Depreciation	1,113,714	1,610,407
Retirement Benefits Assets	508,566	(113,663)
Operating Surplus before working capital changes	4,245,756	8,256,369
(Increase) / Decrease in Receivables	(578,677)	(946,453)
Increase / (Decrease) in Payables	1,575,167	3,577,029
<i>Net cash flow from operating activities</i>	5,242,246	10,886,945
B. Investing activities		
Purchase of Property, plant and equipment	(383,002)	(2,245,541)
Investment in Fixed Deposit		(5,000,000)
Maturity of Fixed Deposit	1,000,000	
	616,998	(7,245,541)
Increase / (Decrease) in cash and cash equivalents	5,859,244	3,641,404
Cash and cash equivalents at the beginning of the period	13,884,600	10,243,196
Cash and cash equivalents at the end of the period	19,743,844	13,884,600

Statement of comparison of budget and actual amount for the period ended 30 June 2018

Details	Estimates Rs	Revised Estimates Rs	Financial Statements Rs
Salaries and Allowances	28,981,000	26,754,289	26,460,336
Travelling & Transport	2,816,000	2,325,589	2,264,829
Overtime	100,000	73,524	54,089
Staff Welfare	140,000	203,083	203,455
Contribution to the N.S.F.	170,000	156,118	154,154
Cost of Utilities	700,000	644,952	666,253
Fuel & Oil - Vehicles	120,000	86,129	86,597
Rental of Building	4,082,000	4,081,296	4,081,296
Office Equipment	100,000	65,590	68,830
Office Furniture	120,000	198,722	33,917
Office Expenses	340,000	460,610	327,159
Maintenance	200,000	152,967	147,844
Publications and Stationery	465,000	427,468	272,467
Overseas Travel	500,000	768,123	663,140
Fees	2,680,000	3,128,780	3,060,758
Pensions	2,073,000	1,989,556	1,974,483
Insurance - Vehicles	178,000	53,000	50,515
Insurance - Equipment & Staff	560,000	571,134	630,169
Acquisition of Non-Financial Assets	2,925,000	1,331,049	280,255
National Leadership Engine / Positive Habits	9,800,000	2,395,349	353,420
Promotion, Communication & Sensitisation	1,000,000	1,602,940	1,709,059
Productivity and Competitiveness Academy	500,000	565,820	532,904
Productivity and Quality Improvement Programmes	100,000	85,934	85,934
Research Analysis	2,000,000	1,844,220	1,195,238
Productivity Alliance for Entrepreneurs	100,000	-	-
Innovation	1,900,000	3,265,441	1,109,097
Productivity Programme in Rodrigues	400,000	94,332	95,992
Networking	1,800,000	317,341	187,538
Knowledge Centre	170,000	174,493	149,242
National Productivity and Quality Convention	500,000	300,000	268,807
Total	65,520,000	54,117,849	47,167,777

Statement showing variances between Revised Estimates and Actual Expenditures for the period ended 30 June 2018

Details	Revised Estimates Rs	Financial Statements Rs	Variation Rs	Comments on variations above Rs 100,000
Salaries and Allowances	26,754,289	26,460,336	293,953	Resignation of two staff ; Pending Recruitment Knowledge Mgt Executive and Accounts Officer
Travelling & Transport	2,325,589	2,264,829	60,760	
Overtime	73,524	54,089	19,435	
Staff Welfare	203,083	203,455	(372)	
Contribution to the N.S.F.	156,118	154,154	1,964	
Cost of Utilities	644,952	666,253	(21,301)	
Fuel & Oil - Vehicles	86,129	86,597	(468)	
Rental of Building	4,081,296	4,081,296	-	
Office Equipment	65,590	68,830	(3,240)	
Office Furniture	198,722	33,917	164,805	Furniture acquired in July 2018
Office Expenses	460,610	327,159	133,451	Re-allocation of press advert for Vacancies to Prommation & Communication
Maintenance	152,967	147,844	5,123	
Publications and Stationery	427,468	272,467	155,001	Delay in publication of report
Overseas Travel	768,123	663,140	104,983	Expenditure not incurred
Fees	3,128,780	3,060,758	68,022	
Pensions	1,989,556	1,974,483	15,073	
Insurance - Vehicles	53,000	50,515	2,485	
Insurance - Equipment & Staff	571,134	630,169	(59,035)	
Acquisition of Non-Financial Assets	1,331,049	280,255	1,050,794	Payment effected in 2018-2019 for PABX and Website
National Leadership Engine / Positive Habits	2,395,349	353,420	2,041,929	Delay in project.
Promotion, Communication & Sensitisation	1,602,940	1,709,059	(106,119)	Re-allocation of press advert for Vacancies from Office expenses
Productivity and Competitiveness Academy	565,820	532,904	32,916	
Productivity and Quality Improvement Programmes	85,934	85,934	-	
Research Analysis	1,844,220	1,195,238	648,982	Project did not materialised
Productivity Alliance for Entrepreneurs	0	-	-	
Innovation	3,265,441	1,109,097	2,156,344	Project did not materialised
Productivity Programme in Rodrigues	94,332	95,992	(1,660)	
Networking	317,341	187,538	129,803	Expenditure not incurred
Knowledge Centre	174,493	149,242	25,251	
National Productivity and Quality Convention	300,000	268,807	31,193	
Total	54,117,849	47,167,777		

Notes for the Period Ended 30 June 2018

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.

Notes for the Period Ended 30 June 2018 (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 2018 "see note 18".

Notes for the Period Ended 30 June 2018 (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 year ended 30th June 2018 were Rs 4,081,296. (18 months period ended 30 June 2017: Rs 6,121,944). 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 2018, NPCC had 31 full-time employees and 1 trainee.

(k) Key Management Personnel

NPCC is governed by a management with key personnel that, at 30 June 2018, included the Executive Director, the Director Capacity Development, Corporate Services and Operations and the Head Business Development and Consultancy who are responsible for operating the various activities of the organisation. The aggregate remunerations of key management personnel was Rs 5.3 M for the year ended 30th June 2018, which are all short term benefits.

Notes for the Period Ended 30 June 2018 (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 2018

30 June 2017

	Rs	Rs
Debtors	1,390,190	699,357
Prepayments	823,155	935,311
Deposits	1,063,324	1,063,324
Advances - Car loan granted by government to Staff	4,625,873	2,661,128
	<u>7,902,542</u>	<u>5,359,120</u>

Notes for the Period Ended 30 June 2018 (continued)

6. PROPERTY, PLANT AND EQUIPMENT

	Furniture Fixtures & Fittings Rs	Office Equipment Rs	IT Equipment Rs	Motor Vehicles Rs	Total Rs
COST					
At 1 July 2017	4,517,230	1,087,104	2,478,097	1,400,000	9,482,431
Additions	33,917	68,830	280,255		383,002
At 30 June 2018	4,551,147	1,155,934	2,758,352	1,400,000	9,865,433
DEPRECIATION					
At 1 July 2017	1,558,903	830,723	1,938,110	420,000	4,747,736
Charge for the year	455,114	74,557	304,042	280,000	1,113,713
At 30 June 2018	2,014,017	905,280	2,242,152	700,000	5,861,449
NET BOOK VALUES					
At 30 June 2018	2,537,130	250,654	516,200	700,000	4,003,984
At 30 June 2017	2,958,327	256,381	539,987	980,000.00	4,734,695

Notes for the Period Ended 30 June 2018 (continued)

7. TRADE & OTHER PAYABLES

	30 June 2018	30 June 2017
	Rs	Rs
Trade payables	456,712	185,655
Grant received in advance ***	3,232,818	2,800,062
Other payables and accruals	475,680	270,993
	<u>4,165,210</u>	<u>3,256,710</u>

*** For the period ended 30 June 2017, an amount of Rs 2,800,062 has been reclassified from Other payables and accruals to Grant received in advance.

8. SHORT TERM EMPLOYEE BENEFITS

Short Term Car Loan – ‘see note 9 (a)’	1,196,672	829,598
Provision for Passage benefits - ‘see note 9(c)’	1,046,974	864,000
	<u>2,243,646</u>	<u>1,693,598</u>

9. LONG TERM EMPLOYEE BENEFITS

Long Term Car Loan – ‘see note 9 (a)’	3,429,200	1,831,530
Provision for Leaves refund – ‘see note 9(b)’	9,594,274	9,095,536
Provision for Passage Benefits – ‘see note 9(c)’	100,000	115,043
	<u>13,123,474</u>	<u>11,042,109</u>

Notes for the Period Ended 30 June 2018 (continued)

9. (a) Car loan - refundable by staff

	30 June 2018	30 June 2017
	Rs	Rs
Amount due	4,625,872	2,661,128
Deduct : Amount falling due within one year	(1,196,672)	(829,598)
Amount falling due after more than one year	<u>3,429,200</u>	<u>1,831,530</u>

9. (b) Provision for Leaves refund

At start of the period	9,095,536	7,299,450
Payment during the period	-	(488,116)
Provision for the period	498,738	2,284,202
At end of the period	<u>9,594,274</u>	<u>9,095,536</u>

9. (c) Provision for Passage Benefits

At start of the year	979,043	882,091
Payments during the year	(644,102)	(920,895)
Provision for the year	812,033	1,017,847
At end of the year	<u>1,146,974</u>	<u>979,043</u>
Deduct : Amount falling due within one year	<u>1,046,974</u>	<u>864,000</u>
Amount falling due after more than one year	<u>100,000</u>	<u>115,043</u>

Notes for the Period Ended 30 June 2018 (continued)

10. GENERAL FUND

	30 June 2018	30 June 2017
	Rs	Rs
Balance at start of year	14,601,758	7,842,133
Surplus for the year	2,623,476	6,759,625
Balance at close of year	<u>17,225,234</u>	<u>14,601,758</u>

11. INCOME

Productivity Academy - International Speakers	-	1,211,100
- Other training	1,349,700	1,999,200
Productivity Improvement Programme	<u>3,403,610</u>	<u>3,629,198</u>
	<u>4,753,310</u>	<u>6,839,498</u>

12. GOVERNMENT GRANT

Grant Received	46,865,512	58,556,067
Less deferred grant (in respect of Productivity Campaign on TV & Radio)		(2,259,855)
Transfer from deferred grant	795,000	-
Less deferred capital grant	(1,347,757)	
	<u>46,312,755</u>	<u>56,296,212</u>

13. OTHER INCOME

Interest received	167,003	13,853
Rental of conference room	4,000	113,030
Miscellaneous income	168,400	239,834
Grant from other Organisations	133,000	1,832,635
Gain on disposal of Van	-	305,000
	<u>472,403</u>	<u>2,504,352</u>

Notes for the Period Ended 30 June 2018 (continued)

14. STAFF COSTS

	30 June 2018	30 June 2017
	Rs	Rs
Salaries and allowances	26,414,454	31,701,616
Travelling & Transport	2,264,829	3,328,753
Overtime	54,089	112,488
Staff Welfare	203,455	108,906
Contribution to the N.S.F.	154,154	178,311
Pensions	2,203,548	2,593,028
Family Protection Scheme	279,501	455,454
Gratuities	481,520	-
	<u>32,055,550</u>	<u>38,478,556</u>

15. ADMINISTRATIVE COSTS

Cost of utilities	670,550	959,158
Fuel & oil - vehicles	86,597	117,055
Rental of building	4,081,296	6,121,944
Office expenses	327,159	464,308
Maintenance	147,844	145,549
Publications and stationery	272,467	461,406
Overseas travel	663,140	286,591
Fees	3,128,758	3,934,164
Insurance - vehicles	50,515	81,718
Insurance - staff & equipment	630,169	762,419
	<u>10,058,495</u>	<u>13,334,312</u>

16. OTHER EXPENSES

Training and consultancy	532,904	1,923,300
Promotion, communication & sensitisation	1,709,059	488,025
National Leadership Engine	353,420	229,378
Platform for Smart Ideas	-	192,865
Knowledge centre	149,242	429,613
International networking	187,539	185,228
Innovation	1,109,097	190,289
International Speaker	-	1,037,891
Productivity Improvement Programme in Rodrigues	95,992	356,387
Research and Analysis	1,195,238	424,186
Productivity and Quality Improvement Programme	85,935	-
National Productivity and Quality Convention	268,807	-
	<u>5,687,233</u>	<u>5,457,162</u>

Notes for the Period Ended 30 June 2018 (continued)

17. HELD-TO-MATURITY INVESTMENTS

	30 June 2018	30 June 2017
	Rs	Rs
Fixed term deposit held in Bank and Financial Institutions		
(i) ABC Banking Corporation Ltd	-	4,000,000
(ii) CIM Finance Ltd	-	1,000,000
(iii) Sicom Financial Services Ltd	4,000,000	-
	<u>4,000,000</u>	<u>5,000,000</u>

18. RETIREMENT BENEFIT OBLIGATIONS

	Year ending 30 June 2018	18 months period ending 30 June 2017
	Rs	Rs
Amounts recognised in statement of financial position at end of the year:		
Present value of funded obligation	24,969,958	25,205,555
(Fair value of plan assets)	<u>(19,923,432)</u>	<u>(16,876,716)</u>
	5,046,526	8,328,839
Present value of unfunded obligation	-	-
Unrecognised actuarial gain/(loss)	<u>(6,153,720)</u>	<u>(9,944,599)</u>
Liability recognised in statement of financial position at end of year	<u>(1,107,194)</u>	<u>(1,615,760)</u>
Amounts recognised in statement of financial performance:		
Current service cost	1,309,061	2,066,146
Employee Contributions	(584,816)	(967,847)
Fund expenses	29,147	56,683
Interest cost	1,764,389	1,745,173
(Expected return on plan assets)	(1,240,069)	(1,394,087)
Actuarial loss/(gain) recognised	390,739	246,555
Past service cost recognised	-	-
Total, included in staff costs	<u>1,668,451</u>	<u>1,752,623</u>
Movements in liability recognised in statement of financial position:		
At start of year	(1,615,760)	(1,502,097)
Total staff cost as above	1,668,451	1,752,623
(Actuarial reserves transferred in)	-	-
(Contributions paid by employer)	<u>(1,159,885)</u>	<u>(1,866,286)</u>
At end of year	<u>(1,107,194)</u>	<u>(1,615,760)</u>
Main actuarial assumptions at end of year:		
Discount rate	7.00%	6.50%
Expected rate of return on plan assets	7.00%	6.50%
Future salary increases	4.50%	4.00%
Future pension increases	3.50%	3.00%

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 2018 (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (Continued)

	Year ending 30 June 2018	18 months period ending 30 June 2017
Reconciliation of the present value of defined benefit obligation	Rs	Rs
Present value of obligation at start of period	25,205,555	17,899,208
Current service cost	1,309,061	2,066,146
Interest cost	1,764,389	1,745,173
(Benefits paid)	(38,454)	(34,457)
Liability (gain)/loss	<u>(3,270,593)</u>	<u>3,529,485</u>
Present value of obligation at end of period	<u>24,969,958</u>	<u>25,205,555</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	16,876,716	12,926,830
Expected return on plan assets	1,240,069	1,394,087
Employer contributions	1,159,885	1,866,286
Employee Contributions	584,816	967,847
Actuarial reserves transferred in	-	-
(Benefits paid + other outgo)	(67,601)	(91,140)
Asset gain/(loss)	<u>129,547</u>	<u>(187,194)</u>
Fair value of plan assets at end of period	<u>19,923,432</u>	<u>16,876,716</u>
Distribution of plan assets at end of period		
Percentage of assets at end of year	Jun-18	Jun-17
Fixed Interest securities and cash	59.5%	56.6%
Loans	3.7%	4.4%
Local equities	14.6%	15.8%
Overseas bonds and equities	21.6%	22.6%
Property	0.6%	0.6%
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 2018	June 2017
Assets held in the entity's own financial instruments	(%)	(%)
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 2018	30 June 2017
Currency	Rs	Rs
Fair value of plan assets	19,923,432	16,876,716
(Present value of defined benefit obligation)	<u>(24,969,958)</u>	<u>(25,205,555)</u>
Surplus/(deficit)	<u>(5,046,526)</u>	<u>(8,328,839)</u>
Asset experience gain/(loss) during the period	129,547	(187,194)
Liability experience gain/(loss) during the period	3,270,593	(3,529,485)



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