Protecting the Environment through Enhanced Productivity

Make Mauritius Work. Together

National Productivity and Competitiveness Council
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THE COUNCIL SHALL:

- Provide the forum for constant dialogue and consensus building on all matters relating to productivity, quality and competitiveness;
- Advise government on the formulation of national policies and strategies on all aspects of productivity, quality and competitiveness;
- Promote and develop greater productivity and quality awareness and consciousness amongst the public, and request awards to recognize individual, team and organizational achievements 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 organizations in regions 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;
- Organize conferences and policy seminars on productivity, quality and competitiveness;
- Contribute to productivity committees and de-put such persons, as it may deem necessary, to such committees, define their objectives, broad terms of reference and the means of their functions;
- Request the productivity committees to carry out studies, prepare opinion statements, reports and formulate strategies within the scope of their powers, and;
- Do such things as may be incidental to, and consequent upon, the discharge of its functions under this Act.
Letter from the Chairman

Honorable Mr. Baswani
Minister of Education, Human Resources and Culture

Sir,

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, which covers the period July 2007 - June 2008.

Well aware of the speed and dynamics of globalization, in the year 2007/2008, the NPCC continued to work on its set vision “To Make Mauritius Work Together” with the objective of defining a clear directive for productivity improvement to remain within the focus for actions promoting economic growth.

The vision has been translated into active programs that fall into the thrust areas of the NPCC, namely, innovative, empowerment, best practices, productivity and competitiveness issues and reorientation. This report reflects the organization’s drive for productivity advancement in the year 2007/2008. The activities have been centered on the theme of green productivity, indeed, a crucial agenda for achieving sustainable economic growth. These initiatives are also in alignment with the Government’s actions towards ‘Maurice, Ile Durable’.

The NPCC’s performance is the result of close cooperation between the public and private sectors and supporting international organizations such as the Japan Productivity Centre for Social-Economic Development (JPC-SED), the Commonwealth of Nations, the Pan African Productivity Association, The Global Knowledge Partnership, the Pan African Competitiveness Council, amongst others. It also reflects the full dedication and commitment of the management team and staff of NPCC which I commend.

Your faithfully,

[Signature]

Amnon Ramtouil
Chairman
Performance Report from the Executive Director

The last financial year 2007/2008 has indeed been challenging for the National Productivity and Competitiveness Council. The organisation has had to re-orient itself to advance the productivity movement in the changing environment so as to meet its customer’s needs.

Upheld by our conviction that productivity will make tomorrow better than today, the NPCC has been on the move to serve as the catalyst for change. We reaffirmed ourselves as the driver of productivity and quality enhancement in all sectors of the economy with a view to raising national output and achieving sustained growth and international competitiveness.

The NPCC’s Competitiveness Report 2008, which called for some sobering reforms, has been inspirational. Since productivity is about maximizing the utilisation of all assets for the common good, our activities were shaped to ensure synergistic effects at national level. The “relocation and concentration strategy” was proposed to underline the need to be more focused in our activities so that we could achieve the maximum impact with what we do. Our performance was more cost-effective and our operations have been based on intercessions with local, regional and international organizations.

This report outlines our ongoing dedication and commitment towards promoting all stakeholders to work together to improve the country’s productivity level and bring it to higher horizons for a better being.
Performance Report from the Executive Director (continued)

Some of the key achievements of the NPCC during the period under review include the following:

Greening Productivity

Social and economic development means bringing a better future to the people. The ultimate goal of productivity improvement as a driving force of economic development is to improve the quality of life of people. However, economic development cannot be achieved without conserving environmental resources. It is in this context that the NPCC has embarked on the Green Productivity (GP) Program. GP is a strategy for enhancing productivity and environmental performance for overall social-economic development. The GP program has been implemented through two broad approaches, namely, promotion, demonstration, and dissemination. Under the guidance of Dr. P. Bakalov Consultant at the Environment Management Centre (EMC), India, Professor Ramayya and Mohini from the University of Mauritius, we worked on several joint projects. Our experiences in implementing GP have shown that GP works effectively in the industry as well as in communities. Green Productivity will remain one of our key areas of focus in the forthcoming year.

Enhancing productivity through innovation

Given the competitive challenges facing Mauritian, and with a projected growth in the growth of the urban sector, Mauritius will need to raise productivity growth rates to maintain constant per capita income growth rates—a key factor in sustaining living standards. Given the link to urban growth almost everywhere, innovation will have to drive the growth process.

The promotion of an innovation culture thus remains one of the priority areas of the NPCC in the year 2007/2008. Through programmes like Annual Innovation for the Education Sector and the Innovation Management Award, the NPCC is raising the building blocks for an innovative nation. The fourth edition of Annual Innovation registered a participates’ rate of more than 10,000 participants. We are currently finalising the modalities of the Innovation Management Award (IMA), which will be launched in July 2008.

Improving social productivity through empowerment

At a time when our country is going through a phase of economic transition, we need more than ever before to strengthen our social capital to respond to new opportunities, driven by the productivity spiral for the nation to progress. “Better Living for the Nation”, the NPCC has undertaken several community-based programmes encompassing the participation and cooperation of people from all social strata.

Social Entrepreneurship

The NPCC has given a new dimension to the CSR for Community project which it has been undertaking with the Ministry of Social Security, National Solidarity and Social Citizenship, since 2002. The “Empowering Community for Social Entrepreneurship” project has been introduced to involve the voluntary work done by the civil society for betterment of the community.

The NPCC, organized sensitization programmes in different parts of the island – Quarter Militaire, Roseau, Goodlands and Port Louis among others during the month of November. Furthermore training on social entrepreneurship were carried out during the months of February to June.

Addressing Women’s Emerging Needs through Empowerment

Taking into account that more than 50% of the population is women, the NPCC has devised the “Addressing Women’s Emerging Needs through Empowerment” project in collaboration with the Ministry of Women’s Rights, LEDE. The main objective of the project is to ensure women’s empowerment to take a more active role in the development process of the country to achieve higher growth. The Participation Advisory Committee (PAC) has been constituted at the level of the Women’s Council. The NPCC has been actively supporting them since November 2007 through training and guidance.

In the same line, the NPCC has been working with the National Women’s Council to empower women leaders to participate actively in decision making on issues that affect their livelihoods in their locality. Several workshops were conducted by the NPCC starting from June 2008.
Civic Action Teams (CATs)
The empowerment of citizens through Civic Action Team based on PDCA/Pareto (Check Act) remains one of the main axes of the MPC. The MPC participated in the 7th MPC Convention in August 2007. The MPC also contributed to the planning process of the 10th International Convention for Students Quality Circle Circles in Lahore, India in December 2007, under the full sponsorship of the MPC. The MPC also sponsored the full trip of the delegation of the four best projects in the International Convention.

English Literacy Using Information Technology (ELIT)
Launched in April 2007, the ELIT project is taking momentum and is adapted to the needs of our stakeholders. So far, more than 100 trainers have benefited from the program, including 10 trainers under the Child Migration Programme and 12 under the SVG Poverty Scheme. Training of trainers was also conducted for 20 youth animators from the Ministry of Youth and Sports.

Special Programme for Unemployed Women
Following the MCI signed between the MPC and the UVFP in April 2007 for the setting up of a Project Management Unit (PMP) dedicated to implementing activities under the Special Programme for Employed and Women (UP), actions and projects were developed in various sectors. A number of projects were launched during March and April, the main ones being the Grand Sale being one of them. The presence of the PMP was strong in several activities throughout the period January to June and led to follow up presentations and project monitoring being constantly carried out from March to June.

The objective of the programme remains to provide assistance to various categories of vulnerable women, particularly those referenced from the sugar and textile sectors, new entrants in the labour market and vulnerable groups.

Sustaining Economic Productivity through Best Practices
Current economic realities (globalized and dynamic markets, constantly changing customer preferences, new structure of production and work, etc.) are leading to the rethinking of ways to remain in the market. To be relevant in the dynamic and changing environment, enterprises must find ways to enhance their productivity and improve their respective competitiveness. As the driver of productivity and competitiveness in Mauritius, one of our main focuses remains improving productivity at industry level, both public and private. The main activities undertaken in this regard are:

Model Companies
As member of the Pan African Productivity Association (PAPA), have actively been involved in the development of the productivity culture in Africa. The Japanese authorities are working in close collaboration with the IMP to boost the productivity movement in Africa.

One of the initiatives of the Japanese Government is to plant Productivity improvement and the importance of the corporate sector. In order to create a sense of awareness of industrial improvement at the national level, various measures have been identified. Throughout South Africa, Botswana, Kenya and Mauritius to work in cooperation with the Japan Productivity Center for Economic Development (JPCED), to open implementation in medium companies, the centre being in charge of developing the companies. In developing countries, cooperation has also been involved in taking up the challenge, and the cape province and Cape Town is ready to host the project. Two Japanese experts, Dr. Toshio Nakai and Mr. Hama, have been assigned to help in making the project. The project is being conducted in close collaboration with the Japanese Embassy, and there is a programme for the training of Mauritius Productivity Officer.

The second initiative is capacity building of National Productivity Organizations staff to spread around the productivity movement. Two training programmes have been tailored: the Basic Course for Productivity Practitioners (BPPP), aiming at ensuring that productivity improvement is mini and mass levels. The Advanced Centre for Productivity Practitioners (ACPP) which provides services at mass and mass level specifically.

Moda Free Mauritius (MFMP II)
We continue our efforts to promote continuous improvement in order to achieve better living for the nation through our MFMP activities. Under the Free Moda Public Service Programme, we initiated a Productivity Improvement Programme in the Civil Service (Office in January and at the Saint-Gilberto Hospital in April). Our undertakings consisted of identifying and eliminating Moda Free in plant and Saint-Gilberto workshops.

In conclusion, the MPC is confident that as a productivity organization, we will continue to be in the advancement of productivity and quality of the country by extending the activities in areas of productivity, innovation, empowerment, best practices, markets and knowledge dissemination. We will continue activities that we lead to establish trust and confidence in Mauritius for the common good.

I take the opportunity to thank you for your support, all our collaboration both locally and internationally, without forgetting the staff members of the MPC for their hard work and dedication and look forward to making productive year in the MPC – I wish you to ponder over this quote ‘Productivity is never an accident. It is always the result of a commitment to excellence, intelligent planning, and careful effort.’

Dr. Drishanah COPRAJ Executive Director
CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 30TH JUNE 2008

The National Productivity and Competitiveness Council was established as a corporate body as per the NPC Act no 9 of 1999. Its object is to stimulate and generate productivity and quality consciousness, lower the productivity and quality movement in all sectors of the economy, enhance the country’s international competitiveness and raise national output with a view to achieving sustained economic growth. It performs its functions as laid out in the Act.

Compliances and Enforcement

The NPC is fully committed to attaining and maintaining the highest standards of corporate governance and is gradually taking action to ensure compliance with the code of corporate governance for listed companies established by the National Committee on Corporate Governance as applicable to state owned enterprises.
Corporate Governance (continued)

Board and Directors

The NMC Act makes provision for a Council and an Executive Committee.

The Council consists of 20 members and are non-executive and independent of the NMC. Members selectively represent the interests of the Government, the employers, the trade unions and industry associations, consumer organizations, professionals and academia.

The Executive Committee comprises from the Council and consists of the Chairman, the Vice Chairman, the Executive Director and three other members of the Council appointed by the Council. The Executive Committee is responsible for:

- the preparation of budget proposals and accounts for approval by the Council;
- the approval of yearly programmes of work approved by the Council and monitoring the use of manpower and financial resources, including disbursements, acquisition of equipment and selection and hiring of staff.

As such, the Executive Committee operates at the operational level and reports to the Council which operates at the policy level.

Operations of the Board

Meetings of both the Council and the Executive Committee are scheduled in advance and papers are circulated in advance. In order to ensure a link between management and the Council, the NMC Act provides for the Executive Director and Directors as the Secretary of the Council and the Executive Committee and, in that capacity, attend all meetings of the Council and the Executive Committee.

A biannual session with Council members, Management Staff and selected stakeholders is normally held to define a three year strategic plan. Management then prepares an 18-month rolling action plan based on the strategic plan which is discussed and approved by the Council. The Action plan is reviewed every six months.

The role of the Chairman and the Executive Director are distinctly enunciated under the Act. The Chairman heads the Council while the Executive Director is responsible to the Council for the proper administration and management of the day-to-day business of the Council in accordance with guidelines laid down by the Council. The NMC operates independently of Government but is accountable to parliament and ultimately to the public through the tabling of its report annually.

Statement of Attendance at Council/Executive Committee Meetings

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<thead>
<tr>
<th>N° of Council meetings held: 3</th>
<th>N° of Meetings Attended</th>
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<tbody>
<tr>
<td>Mr Asimnath RAMDHULL, Chairman</td>
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<td>Mr. V. M. RAMDHULL, Vice Chairman</td>
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<th>N° of Executive Committee meetings held: 5</th>
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<tr>
<td>Mr Asimnath RAMDHULL, Chairman</td>
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<td>Mr. Raviseth RAMDHULL,</td>
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Corporate Governance (continued)

Donations
No donation has been effected during the year.

Code of Ethics
Issues such as ethics, employees’ involvement and equal opportunity of employment are key to the long term success of the NPC. It would itself as a reputable 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 24hr insurance cover.

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

Statement of Director’s Responsibility
The NPC acknowledges its responsibilities for:

Adequate accounting records and maintenance of effective internal control systems;
the preparation of financial statements which fairly present the state of affairs of the council at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Financial Reporting Standards (IFRS); and
the selection of appropriate accounting policies supported by reasonable and prudent judgements.

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

The Directors report that:

adequate accounting records and an effective system of internal controls have been maintained;
appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
applicable accounting standards have been adhered to; and
the role of the Corporate Governance as applicable to State-Owned Enterprises has been adhered to.

Staff turnover amongst the professional cadre represents a potential risk for the Council. The need for staff to be in principle gain technical and quality so that they can result in considerable loss of valuable human resources. In view of the efforts to ensure the welfare of the public sector, it is not possible, up to now, to retain professional staff

Signed on behalf of the NPC Council:

Mr A Ramaphosa
Chairman

Mr S RAGIN
Member, Executive Committee

Directors’ Statement for Internal Control
The NPC acknowledges its responsibility for setting up of adequate system of internal controls and for the setting up of appropriate policies to provide reasonable assurance that the core objectives are achieved. 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 organization being based, there is no specific provision for an Internal Controller. However, we have put in place an effective system, which includes:

Proper segregation of duties whereby the different functions in process are crosschecked and verified.

Expenditure limits for the Executive Director has been fixed by the Executive Committee and all payments are duly authorized by the appropriate persons.

Follow up and implementations of recommendations of the Director of Audit in order to improve the process and ensure proper accountability, is regularly adherence.

Transactions of the Council are properly safeguarded.

All cheques issued by the Council are signed by two authorized signatories.

Signed on behalf of the NPC Council:

Mr A Ramaphosa
Chairman

Mr S RAGIN
Member, Executive Committee
Highlights- Productivity & Competitiveness Performance of Mauritius (2007)

Labour Productivity
Labour productivity grew at a higher rate of 3.7% compared to 3.3% in 2006.
Highlights: Productivity & Competitiveness
Performance of Mauritius (2007-2008) (continued)

**Capital Productivity**
Capital Productivity registered a fall of 2.3% in 2007 compared to an increase of 4.1% in 2006.

![Graph showing capital productivity trends](image)

**Multifactor Productivity (MFP)**
Year 2007 witnessed an increase of 0.1% in MFP against a fall of 0.7% in 2006.

![Graph showing multifactor productivity trends](image)
### COMPETITIVENESS HIGHLIGHTS

According to the Global Competitiveness Index of the World Economic Forum, Mauritius ranks in the top third most competitive countries in Africa.

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<tr>
<th>Country</th>
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<td>Algeria</td>
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<td>Zimbabwe</td>
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### Annual Report 2007-2008

The World Governance Indicators of the World Bank, which summarize survey opinions on several dimensions of institutional quality: voice and accountability, political stability, government effectiveness, regulatory quality, rule of law, and control of corruption. It ranks Mauritius high by international standards, outperforming high-growth economies as well as small island states.

The Doing Business Report 2008 named Mauritius the best-performing country in sub-Saharan Africa and ranked it 27th in the world. Compared to other nations, it fares particularly well on institutional variables related to commerce and entrepreneurship, such as starting a business and securing a license.
Productivity and Competitiveness

Annual 2007 2008

Productivity and Competitiveness

GREEN PRODUCTIVITY FOR A SUSTAINABLE ISLAND ‘MAURICE ILE DURABLE’

The ever increasing concern of Governments worldwide towards achieving sustainable development is being more pronounced, even so in the local context, with the Government of Mauritius spearheading a national initiative towards making Mauritius, through the “Maurice Ile Durable” concept and through making provision for a “Maurice Ile Durable label” a sustainable island. This calls for an understanding of the new technologies, the ways to use them and the importance of changing our habits and shifting to renewable energy for our own good, for the welfare of our country and the future generations.

The MCM is promoting Green Productivity (GP) as a strategy that makes productivity sustainable and leads to gains in profitability through improvements in productivity and environmental performance.

GP is thus a strategy of integrating environmental and social considerations with business and other activities, applicable to all sectors including agriculture, transportation, retail and service establishments, government and schools, as well as the industry.

The overall aim being to improve environmental impacts of an organization’s activities, goods and services and thus attain higher level of productivity through the application of appropriate production and management tools, techniques and technologies which are based on among others, our concern for the environment (GP transitions adopting clean technology through technology development and transfer) and further campaigns altering the attitudes all stakeholders (both producers and consumers).
Programme Design

While designing the programme, a stakeholder exercise involving consultations with key stakeholders in the business and the community was carried out in July 2007 to understand the issues better, to avoid duplication and to encourage extension of some of the proven good initiatives of QIP-like interventions in Mauritius.

Three pilot projects have been identified and initiated under this programme:

1. Green Schools

In February 2008, the NPCC conducted three working sessions with the Royal College of Port Louis to introduce the green school concept and identify students that the school was consuming energy and possible solutions to these problems. The college subsequently set up a green school committee comprising of the rector, teachers, students and PTA representatives to lead and implement the programme. The student developed an action plan to address several environmental issues identified by them. The committee also has a waste segregation and recycling plan that is being adopted in the school. The committee has also developed a renovation programme whereby they are currently sharing their knowledge with other schools in the locality. The committee is planning to address the issue of energy efficiency in the respective school in the coming year.

A green school guidance manual has also been developed by the NPCC with the support of the Environment Management Centre (EMC) to assist implementation of the green schools project and provide necessary support to schools. The manual explains the implementation approach as well as the methodology proposed to be adopted for the programme and provides information about the various tools and techniques which could be used for successful implementation.

2. Green Productivity (GP) Clinic/Green Productivity Opportunity Assessment (GPOA)

The GP Clinic aims at facilitating the conversion of small and medium enterprises (SMEs) to adopt more environmental friendly practices. The clinic is Green productivity Opportunity assessment as a tool to identify opportunities to enhance productivity and profitability while reducing environmental impact as its route and associated risk to the enterprise.

Following a series of meetings with SMEs, three pilots were conducted by the NPCC with the collaboration of students from the University of Mauritius. The green productivity opportunity assessments conducted (GPOA) led to the identification of opportunities to reduce energy losses and enhance productivity. The firms came up with measures that would lead to financial savings through improvements in productivity and environmental performance of the enterprise.

In a tuna processing enterprise, the measures proposed would result in an annual saving of Rs. 1,740,340 by the addition of an extinguisher on each boiler. Further more, the renovation of the cooking equipment will help maintain fuel consumption and it was demonstrated that with the help of appropriate logging even higher energy savings could be expected.
Productivity and Competitiveness
(continued)

In a iron casting factory, the team identified possibilities of reducing energy losses by 25-50%. They also found opportunities of enhancing boiler efficiency and set up production control parameters for an enhanced productivity.

In a small coffee holder, the composting of organic wastes and the reduction of electrical consumption through modifications in air conditioning systems, utilization of energy saving bulbs and changes in the setting of a standby generator has demonstrated the need to develop an environmental policy for the field.

3. National Composting Plan - Development of a Central Compost Development Facility (CCDF) for Mauritius

The CCDF is proposed as a biological waste conversion and compost enrichment facility. The composting facility, (CCDF) proposed as a public-private partnership, will consider the whole process of waste conversion to compost, enrichment of compost to a horticultural certified product for the production of organic products and the Valorization of these products, to boost the development of the organic agro-business sector in Mauritius.

A feasibility plan for Central Compost Development Facility (CCDF) has been developed on the basis of existing experiences in Mauritius and other developing / developed countries and then customized by building a suitable institutional and operational model for up-scaling to a national level. The plan proposes mechanisms to standardize techniques, production and dissemination through training, develop collection and transportation networks, create an intermediate centre that will ensure quality aspects and carry out enrichment as relevant (in the case of compost it may enhance the NPK levels), develop markets and create a brand for the products.
INNOVATION

Since the NPE started operations in May 2009, innovation has been used as a tool to address resistance to change with a view to improve productivity. The test of time has proven that success in a global economy is increasingly determined by one’s ability to respond innovatively to changing views and needs of people and countries.

Our aim ultimately is to make innovation become an integral part of our lives - part of our culture. The programme that has harnessed innovation is: Innovate and the Innovators Mauritius Award.
INNOVED 2008

The InnovEd Innovation for the Education Sector project is a joint NPC, Ministry of Education & Human Resources. Aims at fostering the spirit of creativity and innovation, while at the same time preparing children to think innovatively and having fun.

For the 6th edition of InnovEd, 1,500 schools and more than 10,000 students from the Republic of Mauritius have participated in the project. The number of participants witnessed this year as compared to the prior editions is remarkable.

InnovEd 2008 started with a launching ceremony on the 15th January 2008, by Hon. Dharm Sinhdeo, Minister of Education and Human Resources at Queen Elizabeth College. Subsequently all the heads of schools from the pre-primary, primary and secondary sector were sensitised on the need for innovation to unleash the creative potential of our children.

More than 1000 teachers from the participating schools got hands-on experience and training to assist them in implementing creative thinking and problem-solving activities in classroom.

Zone exhibitions and selection were held throughout the Republic of Mauritius. 30 zone zones in Mauritius and Rodrigues assisted the projects presented at zone level.

The national exhibition and exhibition and awards ceremony was held from 26th to 29th May, 2008 at the Ocean Halle Auditorium, Port Louis. All the projects selected at zone level were displayed and 12 judges assessed the projects. An open day for members of the public was held on 28th May, 2008 and attracted a considerable number of visitors, particularly students and teachers.

INNOVATOR’S MAURITIUS AWARD 2008

If “We want to be an innovative nation”, we have to nurture a culture of creativity and innovation. This is the spirit of the Innovation Mauritius Award which is organised every two years by the NPC to provide a platform for all Mauritians to innovate through new ideas, products and processes.

Preparations for the launching of the third edition of the Innovator’s Mauritius Award started in January 2008. A committee on innovation comprising of representatives from the public, private sector and members of the trade union was set up. Several seminars and sessions were held to define the theme for the Award.

The committee unanimously agreed on the theme “Towards a sustainable Mauritius” - everybody can make a difference. A technical committee has worked out the modalities of the Award. The launching of the Innovator’s Mauritius Award was scheduled in the month of July 2008. A series of workshops on training and sensitisation programmes have been planned to sustain the campaign. The Banque Nationale de Maurice will be one of the main sponsors for the Innovator’s Mauritius Award. The Award night is scheduled for October 2008.
EMPOWERMENT FOR DEVELOPMENT

"As we look ahead into the next century, leaders will be those who empower others."

Bill Gates

Empowerment for development

Real and long-lasting productivity improvement cannot be achieved without the active involvement of all stakeholders. Support by the business community, employees, government, consumers, academia and the general public is a must.

Productivity, however, is a word that is understood differently depending on where you stand. It is necessary for each citizen to realize that he/she can add value to the environment to make it better. Others, the individual cannot dissociate the two from the fact that he must be awakened to work potential and empowered to take action to better his/her life.

Empowerment remains one of the main thrust areas of the NPC. A number of initiatives have been undertaken by the NPC to empower specific target groups to think and find solutions in their immediate environments through different programmes and schemes with a view to facilitate the development of a productivity culture at community, school and family levels including the workplace.
Empowerment for development (continued)

1. CIVIC ACTION TEAMS (CATS) FOR PRODUCTIVITY IMPROVEMENT IN THE EDUCATION SECTOR

Education is sine qua non to productivity improvement. Built upon the framework of quality circles, which is used in the industry level to enhance productivity, CATs are used by the NPCP to empower the student community to think critically and find solutions to problems in their immediate work environment.

The NPCP organized the 4th CATS Convention for the education sector in collaboration with the Ministry of Education and Human Resources. The convention was held on 10th August 2007 at the University of Mauritius.

259 students from 42 schools participated in the convention under the guidance of 91 teachers who act as facilitators. The theme was “Working together to improve our schools.” The CATs were expected to work together with other students, teachers, caregivers, non-teaching staff, parents, and people from the community to solve a problem related to their school and thereby bring about an improvement in the school environment.

Ten projects across categories (power point, role plays or visual/poetic presentations) were selected for the convention at national level.

The jurors were Mrs Maya Sookarat, Assistant Director (HRMO) Ministry of Education and Human Resources and Chairperson of Jury, Mr Christian Lemaire, Director Management and Services, President MV Daniel La Ville, Lecturer Faculty of and Management University of Mauritius.

Ten facilitators who followed the training for facilitation in 2006 received a competences certificate for having set up a CAT in their respective schools.

The CAT of Ebène SSS (EBS) won the students’ appreciation for the best project. The next four best projects were from (Ebène College Boys), Ebène SSS (Boys), Port Louis SSS (Girls) and Royal College Campion.

Empowerment for development (continued)

10th ISCQC

The NPCP sponsored aEbene SSS EBS (Boys) team i.e. a maximum of five members (4 students) and one facilitator, to attend the 10th International Convention on Students Quality Control Circles (ISCQC) organized by City Montessori School and Degree College in Lucknow, India from 28th November to 1st December 2007.

The NPCP also provided 50% funding (air tickets, registration fees at the convention) to the teachers of Ebene College Boys, Ebene SSS (Boys), Port Louis SSS (Girls) and Royal College Campion.

Mauritius was also represented by the St Francis’ team, winners of the 2006 edition who could not attend the 9th ISCQC held in Sri Lanka. The four facilitators from Port Louis College, Royal College Campion, Ebebe SSS College and Lantin College Moka were also represented in Lucknow.

CASE STUDIES IN THE EDUCATION SECTOR

The NPCP published a CATs booklet with the projects and case studies undertaken by the Civic Action Teams since 2001, when the first CARs Convention was held.

LAUNCHING OF CATS PROJECT 2008

The launching of the CATS project 2008 was officiated on the 15th January 2008 at Queen Elizabeth College by the Minister of Education and Human Resources.

Meetings with the heads of schools (primary and secondary) were conducted in January 2008 in the four regions and projects were distributed to all schools to invite the students to participate in the CATS Convention.
Empowerment for development (continued)

Training of Facilitators

The NPCF benefited from the support of trainers that have followed the course on the setting up of CAs and have
received a certificate of competence.

The project and its facilitators were sponsored by the NPCF.

Social Entrepreneurship to Promote Productivity

Human capital and social capital are among the main components of productivity development and competitive advantage. With the dynamic changes happening in the social arena, the NPCF realized the CAs project for the community, which has been running since 2002 in collaboration with the Ministry of Social Security, National Solidarity and Senior Citizens Welfare & Reform Institutions.

The "Empowerment Community for Social Entrepreneurship" was launched on Wednesday 7th November 2007 at the Prince Sheri Social Welfare Centre, Khatiri, Hon. Mr. Abdallah Ruppee, Minister of Social Security, National Solidarity and Senior Citizens Welfare & Reform Institutions, Hon. Marie Joseph Noël Elekile Chikambi, Minister of Information Technology and Telecommunications and His Worship Amin Pete Mayor of Conspicue, were present for the event.

Social entrepreneurship is about providing enterprising solutions to social problems that are community challenges and creating new ways of doing business for more people and for a better gain.

With the setting up of social enterprises, the project team, as facilitators, are helping to

- Help to promote Productivity & Competitiveness
- Contribute to socially inclusive economic growth, especially for local communities
- Create new employment opportunities
- Show new ways to deliver an entrepreneurship culture
- Help to develop an inclusive sectoral dialogue with a broader audience.

Project facilitation sessions were held in the five districts, reaching a total of 600 beneficiaries. Each session was held in 20 districts and included advice on social security and benefits of the project.

Gender and Productivity Improvement

To achieve growth and prosperity of the nation, it is very important to create opportunities for socio-economic development of women. It is in this perspective that the NPCF, working closely with the Ministry of Women & Rights, DSTW & OP on the Addressing Women's Emerging needs through Empowerment Projects.

The objectives of this project are to:

- Empower and strengthen the capacity of women-led groups to get organized and take an active part in community-based projects for the welfare of the whole society.
- Train socio-economic support of women through their enhanced participation in community projects and self-management of local development activities.
- Contribute to the personal development of women-led groups through providing opportunities to enhance organizational capacity, develop communication skills and provide solidarity capacity and increase confidence and self-esteem.
- Foster the development of a community's feeling of social responsibility through increasing the awareness of members about social issues and provide a medium through which their sense of social responsibility can be translated into action.

The project was launched on Thursday 27th November 2007 at the Right Gandhi Science Centre in the presence of Hon. India Sekou, Minister Women’s Rights, and DSTW & OP.

More than 100 Participatory Advisory Committees (PAC) members from the 14 Women’s Centers were present and shared with the audience preliminary information about the status of women in their respective regions and further explained how their needs can be addressed.

Training sessions were organized for the members of PACs and staff of the Ministry to empower them with the necessary tools and techniques which can be used for project identification, implementation and evaluation for the betterment of the status of women.

The different PACs are in the process of identifying potential community projects which will be shared during a national convention to be organized in the next financial year.

Launching the Participatory Advisory Committee (PAC)
**SPECIAL PROGRAMME FOR UNEMPLOYED WOMEN (SPUW)**

The Government of Mauritius, in its 2007/2008 National Budget, made provision for the setting up of an Employment Programme to "galvanise the economy by broadening the circle of opportunities to benefit every Mauritian citizen".

The NPCF was identified as the implementing agency for the Special Programme for Unemployed Women.

The aim of this programme is to promote self-employment and entrepreneurship in various sectors of activity and to specifically dedicate itself to addressing the plight of retorned/unemployed women, and their willingness to be re-validated as interested in initiating their own enterprises.

Actions that have already been initiated include a multi-secretariat database of 8,864 women across the island compiled from April 2007 to May 2008.

**CAPACITY BUILDING**

534 women were targeted and 178 were trained in sectors such as electricity, woodworking, swimming, plumbing, hairdressing, catering, pastry, garment making, painting, interior decoration. Sectors that they can afterwards group together and assume responsibilities as entrepreneurs.

**PROJECT IMPLEMENTATION PHASE**

Group business projects have been approved in Catering, pool and deck maintenances, strawberry cultivation, lodging services, aromatherapy, community kitchens, and diversification of fruit cultivation, after-school childcare services targeting 846 women.

As a result, it is expected that the second year of operations would be instrumental in confirming the viability of projects launched and the ability of people trained to benefit from placement opportunities into formalised jobs. Essentially, the process of women empowerment should lead to concrete actions to bring about changes in policies, in access to resources, addressing social norms, and values that preclude greater women emancipation.

**EMPOWERMENT FOR DEVELOPMENT (continued)**

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**PROMOTING PRODUCTIVITY THROUGH ICT DEVELOPMENT**

The English literacy using IT (ELIT) project was initiated in June 2003 with the support from UNESCO. The ELIT course is primarily targeted at women aged 18 and above with the objective of raising their level of functional English so as to enable them develop their knowledge potential, and assist them in becoming more successful in their day-to-day lives.

The year 2007/2008 has been fruitful for the ELIT project with more than 100 women successfully completing the course for the financial year. Starting up an ELIT was achieved with the collaboration of different stakeholders, namely that:

(1) Municipal Council of Curepipe
(2) Municipal Council of Curepipe
(3) Municipal Council of Vielleau
(4) Public Civil Action Teams
(5) 105 Poverty
(6) Ministry of Heath and Sports

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Erisaben Jelfa, ELIT Participant & Municipal Council of Vielleau/Phvee
Empowerment for development (continued)

SCALING UP OF ELIT

In July 2007, the launching of ELIT at Civic Action Teams (CAT). Politics Social Centre gathered an audience of more than 50 women and the course was run with two parallel groups. Working women attended the course during the weekend and the unemployed during the week. However, the ELIT course was made accessible to a larger audience with the agreement from the Municipal Councils of Quinta Normal and Ñu Guatari/Provers, for sharing the cyberoffice with NMC to deliver the courses in September 2007. Since then the ELIT course has been organized every 1 month with 1 week training having being gaining gained during the year by the NMC. The project was adopted in January 2008 by the Municipal Council of Guepe and they agreed to support the ELIT course by sponsoring the cyberoffice in Guepe for every 4 months. For each batch of participants, a holiday of 3 days was organized which was granted by the presence of the Minister of Women Rights, Gloria ICAV and the Minister of Education & Human Resources. Scaling up of ELIT has also required the NMC, to modify the content of the course to cater the needs of target groups, especially to meet the requirements of SAMS.

ADAPTING ELIT FOR YOUTH

In October 2007, the ELIT course was institutionalized based on the needs of young people, benefiting from the support of youth centres. A training of trainers’ course was conducted for youth animators of the Ministry of Youth and Sports. 2 youth animators successfully completed the course. However, further action by the Ministry of Youth and Sports is still awaited.

BUILDING SECTOR COMPETITIVENESS THROUGH LIFE-LONG LEARNING: CAPACITY BUILDING OF SMALL PLANTERS

In the context of trade liberalization, the agricultural sector is undergoing profound changes. To support the country’s new economic speeds, the National Productivity and Competitiveness Council (NIPC) has since August 2008 included pilot network projects to assist farmers in the transition to high value agricultural product development. They aim at defining:

- potentially new avenues of growth in the sector in terms of new products/services which could eventually link with other sectors;
- new business opportunities;
- and support opportunities for small enterprises/services of the sector.

Three pilot network projects – one in the north (regrouping 260 producers), a second one in the south (regrouping 150 producers), and a third one regrouping 100 peasant farmers, and a third which regroups low income urban dwellers of the north east region - were launched with the objective to increase and improve the livelihoods of small scale farmers, assist them to move from a high volume, low value agricultural products to a range of product services that will include higher value, more exclusive products, and ultimately help them identify and satisfy niche markets for high value additions.

The Commonwealth of Learning (COL) partnered in the project to incorporate the element of learning for livelihoods that is life-long learning (LLL). The COL is an institution that promotes policies and systems to make innovation sustainable and builds models and creates materials that enhance organizational capacity and nurture networks that facilitate learning in support of development goals.
1. ENHANCING THE COMPETITIVENESS OF THE MANUFACTURING SECTOR IN MAURITIUS

As part of the Government’s support to the manufacturing sector to be more competitive, the MPC was requested by Enterprise Mauritius to assess 110 manufacturing enterprises including textile and apparel, paper processing, furniture making, cosmetics and light manufacturing.

The Economic Productivity Benchmarking (EPB) and capability enhancement programmes were used for the assessment. The main objective of the economic productivity benchmarking and capability enhancement programmes is to develop and enhance competitive capabilities of enterprises through contextual comparative measurement and inter-company benchmarking and to identify generic (sector level) and firm-specific initiatives that would enhance the competitiveness of the targeted sector.

During the assessment, the individual firm’s competitive capabilities were mapped to understand the present competitive status of the company and to discuss the way forward. At the 30th June, 46 enterprises have already undergone the capability assessment and the assessment reports of these companies have already been issued by the MPC.

2. ECONOMIC PRODUCTIVITY ASSESSMENT AS A TOOL TO SELECT BEST PERFORMING ENTERPRISES WITHIN THE CONTEXT OF A “MAURITIUS BUSINESS EXCELLENCE AWARD”

In the context of selecting companies for the “Mauritius Business Excellence Award—2009”, organized by the Ministry of Industry, Small & Medium Enterprises, Commerce and Cooperatives, the MPC was called upon to assess the 112 applicant enterprises in June 2007 based on the economic productivity assessment tool.

The assessment results were submitted to the Ministry of Industry, Small & Medium Enterprises, Commerce and Cooperatives, where a panel of judges will examine the recommendations of the Technical Assessment Team.
MAURITIUS POST LTD
FOOD AND ALLIED INDUSTRIES LTD
LAITERIE DE CUREPIPE LTD
CIM LEASING LTD
PRECGIP LTD

3. MOUNTING BEST PRACTICES- MODEL COMPANIES

Under the guidance of reports from the Japan Productivity Centre for Socio-Economic Development (JPC/SED), the NPCC has initiated the Model Companies Project since August 2007.

This project is part of the technical cooperation support, which the Government of Japan has extended to the African continent for productivity promotion. Being a member of the Pan African Productivity Association (PAPA), Mauritius is one of the four countries benefiting from the support.

The NPCC is presently working with five companies. The transfer of improvement tools such as quality circles, 5S, results reporting (TDR), process improvements and employee training, amongst others are being used for the purpose. The aim is to build up showcases for award replication.

In order to gain better result from the model companies, the Japan Productivity Centre for Socio-Economic Development (JPC/SED) organized an International Study Mission to Japan on Productivity Improvement Activities in SMEs between 29th May and 9th June 2008 to give the opportunity to the model companies to study Japanese SME development model and experience practical implementation of Japanese management and productivity techniques in the workplace. The Kaizen champions of CIM Leasing Ltd and Laiterie de Curepipe Ltd as well as the Production Manager of Postgraph Ltd participated in the Study Mission.

4. SHARING BEST PRACTICES- PARTICIPATION IN TICAD (TOKYO INTERNATIONAL CONFERENCE ON AFRICAN DEVELOPMENT) IV

The NPCC was invited by the Japan Productivity Centre for Socio-Economic Development from the 28th to the 30th May 2008 at the Tokyo International Conference on African Development (TICAD) IV held in Japan, to share results obtained with the implementation of the Pilot Model Companies Project. Kaizen Champions from three of the five selected model companies also participated.
Best Practices (continued)

5. Training, Facilitation and Interventions

During the July 2007-June 2008 period, the NPC held a series of workshops and training sessions to create a sense of ownership for the concept of productivity.

5a. Sensitisation on productivity concepts to staff of Agricultural Marketing Board (AMB), 11th July 2007

The NPC requested support of the AMB to develop its Productivity Award as part of its reorganization programme which was facilitated by the NPC in 2008. In this context, training on SS was organized for the staff of the AMB in the month of April 2009 with the objective of creating change in mindset through improved physical environment and enhancement of team efforts.

General SS sensitization was conducted for the whole staff, followed by step-by-step training on SS implementation and audits.

5b. Enhancing collaboration partnership to enhance productivity

Productive changes cannot be achieved without building a shared vision and a consensus on the direction of the change. Productivity is about maximizing the utilization of all assets for the common good. Managerial talent cannot be squandered in turf fighting and working together will ensure synergistic effects that are most needed.

The NPC was called upon by the Municipality of Connaught to act as Facilitators for the Workshop “Enhancing Collaborative Partnership in Dhobie Productivity at Municipal Council of Connaught”. The target groups were the Councillors and the senior management team. The NPC facilitated transformation of the management team and then the councillors teams as constants to productivity improvement for the Municipal (Council) of Connaught. Afterwards the teams met and discussed and aligned their findings in a common set of well-defined actions to be acted upon so as to enhance the collaborative partnership between Councillors and Senior Management. A report on the compilation of the shared findings was submitted to the council.

5c. Facilitation on productivity improvement techniques

The NPC was called upon by the Oversthorpe Co-operative Programme to conduct a training: 22-28 October 2007 for its facilitators on productivity improvement techniques and the key frame analysis tool for project cycle management.

The SCP facilitators were able to understand approaches for listening to the needs of their clients, the important relationship between productivity, quality and environment dimensions in developmental efforts, progress setting techniques and tools for developing action plans for project implementation.

The SCP facilitators understood the mechanics and philosophy behind the call for proposals, how to translate developmental needs in project development using the logframe analysis technique.

5d. Productivity Improvement through SS implementation

Aquaforte (designated for tracking a productivity improvement through implementation of SS for its shirt-making factory in Southam) 93% heads of department, supervisors and team leaders were trained on the basic concepts of SS and the potential implementation in the factory.

Best Practices (continued)

Se. Development of a strategic plan for State Informatics Limited

The newly appointed Board of the State Informatics Limited requested the NPC to assist in developing its Strategic Plan.

The exercise for SII was about (1) developing a reorientation direction, clearly define its business purpose (mission), its business objectives, its corporate values, (2) targeting the key strategies that can be adopted to move it in the right direction - strategy issues, key efficiencies in these issues and the most effective ways of facing with them and (3) mapping out everyone concerned to carry them out through a new structure that: (i) evolves more efficiently and effectively to the needs of the market. The resulting strategic plan would then determine where the organization would like to be going in the next 5 years or more, and to define the way forward. The focus, therefore, is on the entire organization.

A Strategic Visioning Exercise was conducted on the 27th and 28th February 2008 at a Memphis Hotel. The participants comprised of representatives of SII Board of Directors, the SII Senior Management Team and the respective Trade Union representatives.

Specific aims of the exercise were to (1) define a common and shared vision of mission for SII and (2) translate the new vision/mission into meaningful strategies and actions (3) eventual to develop performance indicators as well as to (4) review HR structures to enhance its capacity to deliver.

The findings were compiled in a strategic plan submitted to State Informatics Limited (SII). It assesses the current situation, reviews strengths, weaknesses, threats and opportunities; presents a series of statements relating to SII visions, mission, values and objectives; and sets out its proposed strategies and goals. It is expected that the Strategic Plan will (1) serve as a framework for decisions for the future (2) serve as a basis for further discussions and (3) guide the Board of Directors in order to identify, formulate, evaluate & finance SS assessments, benchmarking and performance monitoring and (4) stimulate change and become building block for next plan.
Best Practices (continued)

5. Management Consulting Service

The MPCP carried out a three-day productivity and quality study for Corsen Boy Estate on 19, 20, 21 November 2007. The purpose of the study was to identify and investigating problems concerned with policy, organization, procedures and methods in different areas of the organization and recommending appropriate actions.

The study was also an opportunity for MPCP staff to implement the productivity tools they acquired during the Basic Course for Productivity Practitioners organized by the Asian Productivity Organization in South Africa in July 2007.

The study focused on problem identification using value added productivity measurements, human resource practices study, evaluation of operations efficiency, SS audit, layouts and investigations of quality issues.

The findings included:

- A SWOT analysis showing the current strengths, weaknesses and opportunities of the company.
- Measures to improve the company’s productivity.
- Measures to improve worker morale through training, communication and productivity and quality awareness.
- Opportunities to improve physical environments and an implementation plan for SS.
- Measures to improve product quality that will have an impact on the company’s sales and marketing.

5g. Productivity Improvement Programme (PIP) - SS and process improvement tools

A 5-day PIP workshop was implemented in the label-printing factory of Labeling Industries. The objectives were to train the employees in SS and process improvement tools and demonstrate implementation of these tools to enhance the productivity of the company.

20 employees were involved and 5 projects were identified:

- Improvement of physical environment of raw materials store to reduce searching time and to improve flow of materials in linear paper printing.
- Reduction of production lead time from receipt of a customer’s order to production launching.
- The achievements have been:
  - Improvement of physical layout of raw materials store and enhanced physical management of inventory.
  - Release of space in store following elimination of obsolete and redundant items and in printing area.
  - Better management of material flows in printing area.
  - Reduction of work in progress on slasher.
  - Improved physical storage of tools and machine parts for production changeover.
  - Creation of customer-focused teams for pre-production planning.
  - Reduction of pre-production time through computerization of process.
5h. Productivity and Process improvement

Under the Meda Free Public Service programme, a productivity improvement initiative was implemented in the Civil Stats Office from 25 to 26 January 2008.

25 employees were trained in the techniques of 5S and process improvement. Preliminary investigations were carried out to identify areas for interventions where the employees, in teams, had to implement what they had learned.

The selected projects were:
- Records and query regime - Implementation of 5S to improve physical stock management and reduce searching time
- Printing section - Process improvement to reduce waiting time and ensure service effectiveness
- Delivery of certificate - Process improvement from application to delivery
- The customer section
  - Implementation of the first S to sort out unwanted items and removing them (in office)
  - Root cause analysis of misplaced records in order to prevent the disorderly organized records
  - The Complaints Section moved to alleviate the Delivery Section to reduce the media of waiting (previously 8 hours) in making complain. This will have the secondary benefit of improving coordination between delivery and complaints section in taking counterclockwise in the reported case of dissatisfaction of clients.
  - Implementation of different colour of paper for application form to distinguish between birth, death, marriage certificates applications and thus improve the clarity
  - Improvement of visual management in Records Section to reduce searching time and the problem of misplaced records
  - Improvement of housekeeping in Delivery Section
  - Improvement of handling customer receipts in Delivery Section
  - Implementation of fixed inspection to ensure effective delivery of certificates

SI. PIP in Subramaniam Bharati Eye Hospital

Another project under the Meda Free Public Service programme for productivity improvement was implemented in the Subramaniam Bharati Eye Hospital from 14 April 2008.

20 employees were trained in the techniques of 5S and process improvement. Preliminary investigations were carried out to identify areas for interventions where the employees, in teams, had to implement what they had learnt.

The selected projects were:
- Out Patient Department (OPD) - Implementation of 5S to reduce waiting time
- General office area - Implementation of 5S
- Medical and pharmaceutical records - Implementation of 5S

The outcomes included:
- Development of plan for area optimization in OPD, together with a list of visual standards and labels to support smooth flow of patients
- Implementation of first S to sort out broken equipment
- Implementation of first S to sort out unused nurses
- Initiation of development of procedures for systematic first S

5j. Productivity Academy

In the context of the setting up of the Productivity Academy, the National Productivity and Competitiveness Council, in collaboration with the Asian Management Institute (AMI), proposed to the business community a first series of practical and strategy-building programmes in the field of:

1. Change management
2. Mediation / Negotiation
3. Time and motion
4. Leadership / Teambuilding from 17th to 19th April 2008. The objective was to help organizations reinforce their capabilities to improve productivity and competitiveness globally.

The programme is to link the NIPF strategy to develop competence for empowerment through knowledge development and sharing of experiences. It was made as a platinum basis with NIPF’s wish to set up a productivity academy by 2010.

It is to be noted that Mr. Herbert Baufler of AMI conducted training in facilitation techniques in June/July 2006 and a training on facilitation, mediation and conflict resolution techniques for NIPF and MIF staff.

In total forty-eight participants benefited from the programme, including the NIPF staff and four sponsored participants from and at the request of the Ministry for women rights and family welfare.
Dissemination of Knowledge

During the July 2007-June 2008 period, the MRC held a series of workshops and training sessions to sensitise and involve people on the concepts of productivity.

The management and staff of Agricultural Marketing Board were sensitised on productivity concepts, 11th July 2007.


Gemba Kaizen workshop at Labelling missions, 10th - 13th August 2007.


Branding sessions with Super Intendants of Term Noelle La Vallette, Bambous, 12th & 19th August and 2nd September 2007.

Training of staff of 105 Village Bambous via family order techniques, 4th October 2007.


Training for DCP facilitators, 22nd - 26th October 2007.

Sensitisation on social entrepreneurship, 6th - 8th, 14th November 2007.

SS training at Aquaville Ltd, 16th & 17th November 2007.

Training in the setting up of quality circles at Mauritius Telecom, 11th December.


Sensitisation and training for Heads of Pre-Primary Schools, 6th February 2008.

Training for Social Entrepreneurship, 1st - 12th February 2008.


Training in Change Management, 14th - 17th April 2008.

Training in Mediation and Negotiation Techniques, 14th - 17th April 2008.

Training on Team Building, 21st - 24th April 2008.


EBF (English Library using IT): Training of 1st Batch of Trainers at Municipalities of Lescar / Phoenix & Quain Bours, May 2008.

Presentation on Quality Circles and Kaizen management at Mauritius Telecom, 16th May 2008.

Training of Trainers for capacity building for NGOs, 25th May 2008.

Another component of the dissemination of information is the regular publication on a quarterly basis of this newsletter – four issues published (August 2007, December 2007, December 2008 and June 2008). Furthermore, to provide up-to-date information on productivity, quality and competitiveness issues, 267 new resources have been added to the collection of the Knowledge Centre.
CORPORATE SERVICES

THE TEAM

The NPCC is a lean organisation with a flat and matrix type of structure.

The total number of staff as at 30 June 2008, was 18 and included two Office Attendants/Cleaners and three support staffs. The size of the establishment is 33.

Mr Ram Jitsh, Precedency Specialist, resumed duty after one year leave without pay with effect from 1st April 2008.
CAPACITY BUILDING

The strength of the NPCF lies in its people – their attitude, commitment, flexibility to adapt to different target groups, their ability to communicate effectively, capacity to innovate and to inspire confidence through their professionalism. Continuous staff training is therefore high on the NPCF agenda.

To strengthen the capability of its staff, the NPCF sponsors them to attend training programmes, conferences and workshops both locally and abroad. NPCF staff have participated in workshops, conferences or undergone training during the financial year as follows:

Mrs. F. M. Charitha, Mrs. P. M. Iwaruk, Mr. D. Lekan, Mr. T. Mthombeni and Mr. P. Beleuwa attended the Basic Course for Production Practitioners from 27th July to 22nd July 2007. The programme was specifically funded by the Japanese Government and designed for the Pan African Productivity Association Member Countries. It was hosted by the National Productivity Institute, South Africa.

Mr. H. Ramaiko, Messrs. K. Appiahwuo, N. Subarun and B.S. Solingy participated in an Observational Study Mission on Productivity Promotion and Utilisation in Japan from 15th to 29th October 2007.

Mr. N. Subarun participated in the Global Knowledge Partnership, 3rd Global Knowledge Conference in Kuala Lumpur Malaysia from 17th to 19th December 2008.

Mr. T. Munyai, attended the 10th International Conference on Students Quality Control Circles in Ludhiana, India from 28th November to 30th November 2007.

Mr. M. Makalani attended the course on Facilitating Face-to-Face Learning at the International Training Centre of the International Labour Organisation in Trieste, Italy from 5th to 7th December 2007.

Mr. B. S. Solingy attended the 7th Commonwealth–India Small Business Competitiveness Development Programme in India from 5th to 10th December 2007.

Mr. B. S. Solingy, Mrs. R. Rambhia, Mr. B. S. Solingy and Mrs. P. Beleuwa attended the Aspen training course on productivity practitioners in South Africa from 25th April to 16th May 2008. The programme was again funded by the Aspen Institute Government and designed for the Pan African Productivity Association Member Countries. It was hosted by the National Productivity Institute, South Africa.

Mr. D. Lekan participated in an 8th National Study Mission on Productivity Promotions Activities in Japan from 24th May to 1st June 2008.

Mrs. S. Matthew attended the Advanced Certificate in Productivity and Quality Promotion in Singapore from 2nd to 16th June 2008.

In the year 2008/2009, further training programmes were arranged for its staff members.

NPCF staff also attended training programmes arranged by the International Labour Organisation.

During the financial year, British Government and International Labour Organisation conducted training in collaboration with NPCF in the following:

- 5 days training on Quality Auditing, Kenya
- 5 days training on Lean Tool Box, Singapore

How to incorporate Lean tools and Six Sigma principles into practice

How to implement the Total Quality Management (TQM) principles

How to implement the Baldrige National quality Award tools

How to incorporate Six Sigma and Lean techniques into practice.
INTERNATIONAL NETWORKING

International networking is not only a powerful source of sharing new ideas but also an opportunity to promote the development of quality collaborative productivity between Mauritius and other countries. The NFCC’s International Networking objective is to put emphasis on co-operative efforts to develop, share and transfer skills and competencies required to strengthen the Organization.

In this regard, several networking missions have been undertaken during the financial year.

In October 2006, The Executive Director of the NFCC, as member of The Competitiveness Institute (TCI), participated in the 9th Annual Global Conference and the General Assembly of TCI held under the auspices TCI in Lyon, France where Mauritius together with Tanzania, Kenya and Ghana proposed the idea of an African chapter of the TCI that the economic reality of Africa is quite different from the rest of the world especially compared to Europe and the United States.

The 1st innovation and cluster competitiveness symposium was subsequently organized by the TCI, in collaboration with the Swedish Governmental Agency for Innovation Systems (VINNOVA), the Swedish International Development Agency (SIDA) and the Department of Economic Development Western Cape Government. In Cape Town from 17-18 September 2006 the Executive Director attended the symposium along with a steering committee for the creation of a Pan African Competitiveness Forum (PACF) which he was made a member.
In April 2008, the African Union and the Swedish International Development Agency in collaboration with the Competitiveness Institute launched the 1st MAP as a continent-wide competence and action centre on innovation and cluster based competitiveness initiatives in Africa. The overall objective of MAP is to enable stakeholders involved in innovation and cluster based competitiveness initiatives to respond more effectively to the challenges and opportunities that African countries are facing in global competition.

The Executive Director attended the 1st MAP which was held at the United Nations Conference Centre, Addis Ababa from 14th to 18th April 2008. The forum culminated in the establishment of the General Assembly which elected an Advisory Board comprising 10 African Countries and the Competitiveness Institute. The Executive Director of the NMPA has been elected as a member of the Advisory Board. The Advisory Board elected an Executive Board comprising seven members of which M. Justin Mills from Tanzania is the Chairman.

The Executive Director attended the Uganda National Productivity Conference on 8th and 9th July 2008 in Kampala, at the invitation of the National Planning Authority of Uganda. The conference was organized with a view to setting up a National Productivity Organization (NPO) in Uganda. The establishment of an NPO in Uganda is an initiative of the Southern African Development Community and the East African Community region, grouping of National Productivity Organizations of which the Botswana National Productivity Centre is the coordinator and the NPO is a key member. It should be noted that a team from the Botswana National Productivity Centre and the NPO conducted a needs assessment study funded by the Commonwealth Secretariat on capacity building for National Productivity Organizations (NPOs) and East African Regions in October 2006.

The Executive Director attended the Regional Workshop on Information and Communication Technologies Regulation and Public and Community Based Access, for East, Southern and West African member countries on 24-25 October 2007 in Kigali, Rwanda on the invitation of the Economic Commission for Africa.

The Executive Director attended the Regional Workshop on Information and Communication Technologies Regulation and Public and Community Based Access, for East, Southern and West African member countries on 24-25 October 2007 in Kigali, Rwanda on the invitation of the Economic Commission for Africa.

In the context of the i-Kapingi Learning for Impact (ILI) project, funded by the Commonwealth of Learning, M. R. Mkape, Productivity Consultant, presented in India from 9th to 20th June 2008 to visit 13 villages and to meet and discuss with their representatives. The ILI project is the direct result of participation in the Fourth Commonwealth India Small Business Competitiveness Development Programme in New Delhi, India in April 2008.

The Executive Director was made a fellow of the World Academy of Productivity Science in 2008. The Fellowship was conferred by Sri Ashokan Ram, Honourable Minister of State for Department of Industrial Policy and Promotion, Ministry of Commerce & Industry and President of the National Productivity Council, India at a special function organized by the Indian Productivity Council held in Delhi in October 2007.
The General Assembly of the MPEC took place in Mauritius from 23rd to 24th August 2007. Delegations from six member countries: Botswana, Kenya, South Africa, Tanzania, Zambia and Mauritius were present at the assembly. The Nigerian delegation could not attend due to a last minute visa problem.

The main aim of the assembly was to discuss and finalize the MPEC business plan for 2007-2010 and to elect the new Executive Board for the next five years.

The General Assembly culminated with the election of the Executive Board through ballot and the following results:

- Mr. Thembu Liebenberg, Executive Director, Botswana National Productivity Centre (BNPC) was elected President of the MPEC.
- Dr. Krippenani Gokana, Executive Director, National Productivity & Competitiveness Council (NPCSC) was elected Vice President.
- Mr. Yvonne Dinika, Executive Director, National Productivity Institute (NPI), South Africa was elected Secretary General.
- Kenya and South Africa were elected on the governing Council.

The first meeting of the newly elected Executive Board took place after the General Assembly held in Mauritius and with a view to strengthen regional co-operation for supporting the productivity movement in the region, the Executive Board decided to co-opt Nigeria and Zambia.

During the financial year, the MPEC had representatives in the following task forces/boards/committees/organisations:

Local
The Executive Director of the MPEC is a Council member of the Human Resource Development Council.

The Republic of Mauritius is chosen as one of the pilot countries for the development of a National Programme on Sustainable Consumption and Production (SCP). Five potential areas have been identified and task forces set. The Executive Director has been appointed Chairman of the Task Force on Sustainable Public Service.

Regional
The Executive Director of the MPEC is the 1st Vice President of the Pan African Productivity Association and a member of the Advisory Board of the Pan African Competitiveness Forum.

International
MPEC is a member of:
- GBN (Globa Benchmarking Network)
- The Clustering Alliance
- Cluster Asia Pacific
- The Competitiveness Institute
- Public Sector Benchmarking Service
- GKP (Global Knowledge Partnership)
Financial Report

Green Productivity and Innovation was again high on the NPCG agenda for 2007/2008. A contract was signed with Dr. Pevshik of Environment Management Centre, India, in July 2007 for pilot implementations of Green Productivity Programmes in Enterprises / Communities and Schools in Malaita. The project was 90% completed towards the end of the financial year.

The Innovation Maasao Award has become a regular fixture taking place every two years. A Committee was set up in January 2008 to work on the theme for the third edition of the award. "Every one is a Maasaoistable!” Everybody can make a difference, the chosen theme was in line with Government’s view of making Maasao a sustainable island. The Launching was scheduled for July 2008 and the Award Night to be held in October 2008. The Barcapo Bank has shown a very keen interest in the project and confirmed its partnership.

During the financial year the NPCG has consolidated existing projects for the Education Sector, Corporate Sector Women and also developed new projects for the community and other stake holders.
## Financial Report (continued)

### Income

For the financial year under review, an amount of Rs. 15.5M was voted and released as government grant compared to Rs. 11.5M voted and Rs. 12.96M released for 2006/2007. The grant is released by the ministry on a monthly basis. The Ministry of Finance and Economic Development has also released an amount of Rs 5M to cover expenditure for the Special Programme for Unemployed Women of the Empowerment Programmes for which the NPC is the implementing agency.

The NPC also generated income amounting to Rs. 3.5M from activities during the year. A deficit of Rs. 1.8M has been recorded which has been financed from the reserves.

### Expenditure

Total Expenditure for financial year 2007/2008 amounted to Rs. 28.4M (excluding depreciation) compared to Rs. 22.5M for the previous financial year. Both staff and projects costs were 40% while capital expenditure was 19%. Expenditure for administration stood at 19%.

The following table shows the details of expenditure together with percentage increases and share in total expenditure.

<table>
<thead>
<tr>
<th>Description</th>
<th>2006/2007</th>
<th>2007/2008</th>
<th>% Increase</th>
<th>% of Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>18,645,330</td>
<td>11,114,832</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Administrative Costs</td>
<td>5,923,232</td>
<td>5,425,932</td>
<td>(9)</td>
<td></td>
</tr>
<tr>
<td>Projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotion, Communication &amp; Sensitisation</td>
<td>1,885,767</td>
<td>555,811</td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Networking</td>
<td>373,666</td>
<td>435,912</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity Building</td>
<td>412,399</td>
<td>261,252</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge Centre</td>
<td>165,728</td>
<td>200,335</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training &amp; Consultancy</td>
<td>230,895</td>
<td>967,922</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Networking &amp; Clustering</td>
<td>266,717</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Innovation &amp; Creativity Project</td>
<td>489,422</td>
<td>312,496</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Green Productivity</td>
<td>-</td>
<td>1,032,064</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAFs</td>
<td>70,279</td>
<td>372,261</td>
<td></td>
<td></td>
</tr>
<tr>
<td>English Literacy using Information Technology</td>
<td>323,392</td>
<td>114,450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programme for Unemployed Women</td>
<td>-</td>
<td>6,223,103</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>3,393,617</td>
<td>11,352,477</td>
<td>229</td>
<td>40</td>
</tr>
<tr>
<td>Equipment, Furniture &amp; M.Vehicle</td>
<td>1,399,005</td>
<td>358,381</td>
<td>(74)</td>
<td>1</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>21,321,384</td>
<td>28,251,322</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Report of the Director of Audit 2007-2008

To the Chairperson of the NPCC

I have audited the accompanying financial statements of the National Productivity and Competitiveness Council, which comprise the Balance Sheet as at 31st June 2008 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with International Standards on Auditing. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on my judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I consider internal control relevant to the entity’s preparation and presentation of the financial statements 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the National Productivity and Competitiveness Council as at 31st June 2008 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Stationery Office Accounting and Audit Act 1972.

Report on Other Legal and Regulatory Requirements

The Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report and making the disclosures required by Section 8A of the Code of Corporate Governance of Mauritius ("Code"). My responsibility is to report on these disclosures.

In my opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the "Code.

(Signature)
Director of Audit

National Audit Office
Level 16, Aichi Mutualicentre Point Louis
Republic of Mauritius
7 November 2008
# Balance Sheet as at 30 June 2008

<table>
<thead>
<tr>
<th>NOTES</th>
<th>JUNE 30 2008</th>
<th>JUNE 30 2007 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>4 2,555,579</td>
<td>3,409,979</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>5 2,865,801</td>
<td>1,569,882</td>
</tr>
<tr>
<td>Cash &amp; Bank Balances</td>
<td>10 16,425,577</td>
<td>11,907,137</td>
</tr>
<tr>
<td></td>
<td>13,291,178</td>
<td>13,477,018</td>
</tr>
<tr>
<td></td>
<td>15,846,957</td>
<td>16,886,996</td>
</tr>
<tr>
<td><strong>Funds and Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>6 8,012,126</td>
<td>12,688,828</td>
</tr>
<tr>
<td>Non Current Liabilities</td>
<td>7 4,306,176</td>
<td>3,014,873</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade &amp; Other Payables</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3,528,655</td>
<td>1,181,297</td>
</tr>
<tr>
<td></td>
<td>15,846,952</td>
<td>16,886,996</td>
</tr>
</tbody>
</table>

---

# Income and Expenditure Statement for the year ended 30 June 2008

<table>
<thead>
<tr>
<th>NOTES</th>
<th>JUNE 30 2008</th>
<th>JUNE 30 2007 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>8 1,692,296</td>
<td>279,540</td>
</tr>
<tr>
<td>Government Grant</td>
<td>9 14,936,342</td>
<td>11,520,529</td>
</tr>
<tr>
<td>Other Income</td>
<td>10 8,671,058</td>
<td>2,483,000</td>
</tr>
<tr>
<td></td>
<td>25,299,696</td>
<td>14,282,096</td>
</tr>
<tr>
<td><strong>Operating Expenditure</strong></td>
<td>11 (29,121,798)</td>
<td>(21,213,848)</td>
</tr>
<tr>
<td>Net Deficit for the year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments</td>
<td>(1,822,102)</td>
<td>(6,950,840)</td>
</tr>
<tr>
<td>Surplus brought forward</td>
<td>9,278,850</td>
<td>18,370,509</td>
</tr>
<tr>
<td>Surplus carried forward</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5,456,748</td>
<td>9,278,850</td>
</tr>
</tbody>
</table>
As at 1 July 2006
As previously reported
3,313,905
18,270,509
21,584,414
Effects of adopting FRS
(1,291,470)
(11,462)
(1,291,470)
As Restated (As 1 July 2006)
3,313,905
16,389,730
19,523,635
Transfer from Government Grant
1,399,005
1,399,005
Deferred income
- transferred to Income & Expenditure
(1,291,470)
(1,291,470)
Assets Written off
(11,462)
(11,462)
Deficit for the year
(6,930,880)
(6,930,880)
As restated at 30 June 2007
3,409,978
9,278,850
12,688,828
As at 1 July 2007
3,409,978
9,278,850
12,688,828
Transfer from Government Grant
358,380
358,380
Deferred income
- transferred to Income & Expenditure
(1,212,780)
(1,212,780)
Deficit for the year
(3,700,092)
(3,700,092)
As at 30 June 2008
2,555,578
5,466,748
8,022,326
A. Cash flow from operating activities
Deficit for the year
(1,822,102)
(6,930,880)
Adjustments for:
Depreciation
1,112,964
1,291,470
Retirement and Other Benefits
247,000
522,854
Amortisation of capital grant
(1,212,780)
(1,291,470)
Profit on disposal of assets
(25,183)
(25,183)
Operating Deficit before working capital changes
(3,700,092)
(6,488,034)
Decrease in Receivables
82,244
63,519
Increase/ (Decrease) in Payables
2,011,288
(1,606,348)
Net cash flow from operating activities
(1,606,546)
(7,325,895)
B. Investing activities
Purchase of Property, plant and equipment
(316,381)
(1,399,005)
C. Financing activities
Capital grant
358,381
1,399,005
Proceeds from sale of asset
125,000
- 
483,381
1,399,005
Decrease in cash and cash equivalent
(1,481,560)
(7,325,895)
Cash and cash equivalent at the beginning of the period
11,907,137
19,233,032
Cash and cash equivalent at the end of the period
10,425,577
11,907,137
1. PRINCIPAL ACTIVITIES

The object of the Council as stipulated by the NPCC Act 1999 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 undertakes a series of activities such as Promotion/ Sensitisation, Research & Analysis, Documentation, Operations (Productivity improvement programme, training, consultancy, benchmarking, clustering and promotion of innovation), Advisory, and Networking to achieve its objective.

2. First time adoption of International Financial Reporting Standards (IFRS)

The accounting policies were changed on 1 July 2007 to comply with IFRS. The transition to IFRS is accounted for in accordance with IFRS 1 - First time Adoption of International Financial Reporting Standards with 1 July 2006 as the date of transition. The changes in accounting policies as a consequence of the transition to IFRS are described below, and the reconciliations of the effects of the transition to IFRS are presented in the notes.

The transition to IFRS resulted in the following changes in accounting policies:

(i) Staff Pension Fund

Under IAS 19 – Employee Benefits, retirement benefits are now accounted for as a legal obligation under the terms of the pension plan. The effect of this change is that a liability of Rs. 1,316,519 (Rs. 1,246,110 at 1 July 2006) has been recognized at 30 June 2007 and General Fund has been decreased by the same amount at that date.

(ii) Accumulated Sick Leave / Vacation Leaves

Under IAS 16, the Council now accrues accumulated sick leave and vacation leave of employees. The amount of sick leaves accrued at 30 June 2007 was Rs. 715,620 (Rs. 472,576 at 1 July 2006). Accumulated vacation leaves accrued at 30 June 2007 were Rs. 556,623 (Rs. 335,693 at 1 July 2006). The effect of this change is that a liability of Rs. 1,231,422 (Rs. 826,665 at 1 July 2006) has been recognized at 30 June 2007, and General Fund has been decreased by the same amount at that date.

3. ACCOUNTING POLICIES

Basis of Accounting

The Accounts have been prepared in accordance with the IFRS for the first time. The comparative figures for June 2007 have been re-stated along the same line.

Depreciation

Depreciation is calculated to write off the cost of the fixed assets on a straight-line basis over the expected useful lives of the assets. A full year depreciation is provided in the year of purchase. The estimated economic useful life of plant and equipment are as follows:

- Furniture, Fixtures & Fittings: 10 years
- Office Equipment: 6.67 years
- Computer Equipment: 4 years
- Motor Vehicles: 5 years
### 4. NON CURRENT ASSETS

<table>
<thead>
<tr>
<th>Furniture</th>
<th>Office</th>
<th>IT Equipment</th>
<th>Motor Vehicles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixtures &amp; Fittings</td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>COST</td>
<td>1,594,129</td>
<td>1,060,491</td>
<td>2,825,822</td>
<td>2,845,200</td>
</tr>
<tr>
<td>At 1 July 2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June 2008</td>
<td>1,594,129</td>
<td>1,060,491</td>
<td>3,184,283</td>
<td>2,246,300</td>
</tr>
<tr>
<td>DEPRECIATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 July 2007</td>
<td>876,929</td>
<td>567,747</td>
<td>2,285,244</td>
<td>2,246,148</td>
</tr>
<tr>
<td>Disposal</td>
<td>159,413</td>
<td>141,366</td>
<td>362,925</td>
<td>440,240</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>At 30 June 2008</td>
<td>1,033,542</td>
<td>726,113</td>
<td>2,566,169</td>
<td>1,196,328</td>
</tr>
</tbody>
</table>

### 5. DEBTORS & ADVANCES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors &amp; Prepayments</td>
<td>2,959,124</td>
<td>325,868</td>
</tr>
<tr>
<td>Deposits</td>
<td>775,310</td>
<td>791,910</td>
</tr>
<tr>
<td>Advances (Car loan granted by government to Staff)</td>
<td>1,930,127</td>
<td>431,974</td>
</tr>
<tr>
<td></td>
<td>2,445,661</td>
<td>1,269,362</td>
</tr>
</tbody>
</table>

### 6. GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Fund</td>
<td>2,955,378</td>
<td>3,408,978</td>
</tr>
<tr>
<td>Surplus of Income carried forward</td>
<td>5,456,748</td>
<td>9,278,850</td>
</tr>
<tr>
<td></td>
<td>8,412,126</td>
<td>12,687,838</td>
</tr>
</tbody>
</table>

### 7. NON CURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement benefit obligation - &quot;see note 14 &quot;</td>
<td>1,219,196</td>
<td>1,310,191</td>
</tr>
<tr>
<td>Car loan - refundable by Staff</td>
<td>1,325,946</td>
<td>253,033</td>
</tr>
<tr>
<td>Provision for leave refund</td>
<td>1,611,446</td>
<td>1,273,642</td>
</tr>
<tr>
<td>Provision for Passage Benefit</td>
<td>150,000</td>
<td>175,947</td>
</tr>
<tr>
<td></td>
<td>4,306,176</td>
<td>3,016,973</td>
</tr>
</tbody>
</table>

### 8. INCOME

Income derived is from training & consultancy services.
### 9. GOVERNMENT GRANT

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>(Restated)</td>
</tr>
<tr>
<td>Grant Received</td>
<td>15,500,000</td>
</tr>
<tr>
<td>Less Grant devoted to Capital Expenditure</td>
<td>7,578</td>
</tr>
<tr>
<td>Provision for CAT’s competition July 08</td>
<td>15,492,422</td>
</tr>
<tr>
<td>Income &amp; Expenditure Account</td>
<td>(866,006)</td>
</tr>
<tr>
<td>The amount of Rs 7,578 has been credited to the capital grant account and will be amortised over the useful life of the assets purchased.</td>
<td></td>
</tr>
</tbody>
</table>

### 10. OTHER INCOME

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>1,200,729</td>
</tr>
<tr>
<td>Administrative Support fees</td>
<td>-</td>
</tr>
<tr>
<td>Gain on disposal of van</td>
<td>25,183</td>
</tr>
<tr>
<td>Gain on foreign exchange</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>55,749</td>
</tr>
<tr>
<td>Contribution from other organisations</td>
<td></td>
</tr>
<tr>
<td>Ministry of Finance</td>
<td>6,000,000</td>
</tr>
<tr>
<td>Less amount used for capital expenditure</td>
<td>(915,000)</td>
</tr>
<tr>
<td>Deferred income in respect of Government Grant</td>
<td>1,129,000</td>
</tr>
<tr>
<td>Deferred Income - Empowerment Programme</td>
<td>87,700</td>
</tr>
<tr>
<td>United Nation Development Programme - UNDP</td>
<td>527,619</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,671,008</strong></td>
</tr>
</tbody>
</table>

### 11. OPERATING EXPENDITURE

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>(Restated)</td>
</tr>
<tr>
<td>Personnel Costs</td>
<td>11,114,832</td>
</tr>
<tr>
<td>Administrative Costs</td>
<td>5,425,592</td>
</tr>
<tr>
<td>Promotion, Communication &amp; SANitation</td>
<td>951,851</td>
</tr>
<tr>
<td>International Networking</td>
<td>415,912</td>
</tr>
<tr>
<td>Capacity Building</td>
<td>245,282</td>
</tr>
<tr>
<td>Knowledge Centre</td>
<td>200,946</td>
</tr>
<tr>
<td>Training and Consultancy</td>
<td>927,022</td>
</tr>
<tr>
<td>Cluster Projects</td>
<td>-</td>
</tr>
<tr>
<td>Innovation &amp; Creativity Project</td>
<td>312,496</td>
</tr>
<tr>
<td>Green Productivity</td>
<td>1,392,584</td>
</tr>
<tr>
<td>CATS</td>
<td>373,201</td>
</tr>
<tr>
<td>English Literacy using Information Technology</td>
<td>114,450</td>
</tr>
<tr>
<td>Empowerment Programme – Special Programme for Unemployed Women</td>
<td>6,229,503</td>
</tr>
<tr>
<td>Difference on foreign exchange</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,129,470</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28,212,798</strong></td>
</tr>
</tbody>
</table>
Notes for the year ended 30 June 2008 (continued)

12. CAPITAL FUND

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Balance b/f</td>
<td>3,409,978</td>
</tr>
<tr>
<td>Transfer from government grant</td>
<td>7,578</td>
</tr>
<tr>
<td>Less Deficient Income</td>
<td>(1,325,940)</td>
</tr>
<tr>
<td>Transfer from grant received from Ministry of Finance — see note 10</td>
<td>310,882</td>
</tr>
<tr>
<td>Less Deficient Income</td>
<td>(87,700)</td>
</tr>
<tr>
<td>Less Written-off</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,555,978</strong></td>
</tr>
</tbody>
</table>

13. SPECIAL PROGRAMME FOR UNEMPLOYED WOMEN UNDER EMPOWERMENT PROGRAMME

The National Productivity and Competitiveness Council is the implementing agency for the Special Programme for Unemployed Women under the Empowerment Programme. The Ministry of Finance has released an amount of Rs 6 million to the NPCF for financing of projects. The United Nation Development Programme (UNDP) has directly financed few staff of the Project Monitoring Unit (PMU) in the time of Rs 11,414.90. The PMU has also given a say at the disposal of the PMU for field visits.

Notes for the year ended 30 June 2008 (continued)

14. RETIREMENT BENEFIT OBLIGATION

**JUNE 30**

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Amounts recognized in balance sheet at end of year:</td>
<td></td>
</tr>
<tr>
<td>Present value of funded obligation</td>
<td>2,372,654</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>(2,010,635)</td>
</tr>
<tr>
<td>Present value of unfunded obligation</td>
<td>83,379</td>
</tr>
<tr>
<td>Unrecognized actuarial gain/loss</td>
<td>1,133,977</td>
</tr>
<tr>
<td>Unrecognized transition amount</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,519,198</strong></td>
</tr>
</tbody>
</table>

Amounts recognized in income statement:

- Current service cost: 283,635
- Interest cost: 5,227
- Expected return on plan assets: (160,746)
- Actuarial (asset)/liability recognized: -
- Past service cost recognized: -
- Transition effect of adopting AS 19: -
- Total, including int. costs: 418,733

**Movements in liability recognized in balance sheet:**

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>At start of year</td>
<td>1,310,191</td>
</tr>
<tr>
<td>Total int. cost</td>
<td>418,733</td>
</tr>
<tr>
<td>Contributions paid</td>
<td>(501,788)</td>
</tr>
<tr>
<td>At end of year</td>
<td>1,219,198</td>
</tr>
</tbody>
</table>

**Actual return on plan assets:**

- 192,467

**Main actuarial assumptions at end of year:**

- Discount rate: 11.00%
- Expected rate of return on plan assets: 11.00%
- Future salary increases: 6.00%
- Future pension increases: 6.00%
14. RETIREMENT BENEFIT OBLIGATION (continued)

Reconciliation of the present value of defined benefit obligation

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of obligation at start of period</td>
<td>2,300,633</td>
<td>1,731,350</td>
</tr>
<tr>
<td>Current service cost</td>
<td>251,655</td>
<td>266,970</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>553,215</td>
<td>-</td>
</tr>
<tr>
<td>Interest cost</td>
<td>231,670</td>
<td>196,649</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(214,108)</td>
<td>(166,666)</td>
</tr>
<tr>
<td>Liability (gain)/loss</td>
<td>(1,372,240)</td>
<td>120,978</td>
</tr>
<tr>
<td>Present value of obligation at end of period</td>
<td>2,173,685</td>
<td>2,380,633</td>
</tr>
</tbody>
</table>

Reconciliation of fair value of plan assets

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of plan assets at start of period</td>
<td>657,531</td>
<td>497,240</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>106,748</td>
<td>74,172</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>553,215</td>
<td>-</td>
</tr>
<tr>
<td>(Net return on plan assets)</td>
<td>169,861</td>
<td>(14,285)</td>
</tr>
<tr>
<td>Asset gain/(loss)</td>
<td>31,593</td>
<td>37,827</td>
</tr>
<tr>
<td>Fair value of plan assets at end of period</td>
<td>2,059,632</td>
<td>897,531</td>
</tr>
</tbody>
</table>

Distribution of plan assets at end of period

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government securities and cash</td>
<td>46.60%</td>
<td>54.50%</td>
</tr>
<tr>
<td>Loans</td>
<td>6.20%</td>
<td>9.00%</td>
</tr>
<tr>
<td>Local equities</td>
<td>30.90%</td>
<td>17.60%</td>
</tr>
<tr>
<td>Overseas bonds and equities</td>
<td>13.60%</td>
<td>17.90%</td>
</tr>
<tr>
<td>Property</td>
<td>1.00%</td>
<td>1.00%</td>
</tr>
<tr>
<td>Debenture stocks</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

15. (a) RECONCILIATION OF EQUITY UNDER PREVIOUS GAAP TO IFRS

<table>
<thead>
<tr>
<th></th>
<th>30 JUNE 2007</th>
<th>1 JULY 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity under Previous GAAP</td>
<td>13,272,461</td>
<td>21,594,414</td>
</tr>
<tr>
<td>Retirement Benefits accounted for under IAS 19</td>
<td>(1,310,193)</td>
<td>(1,234,110)</td>
</tr>
<tr>
<td>Employee Benefits other than Retirement Benefits Accounted for Under IAS 19</td>
<td>(1,273,642)</td>
<td>(826,669)</td>
</tr>
<tr>
<td></td>
<td>12,688,828</td>
<td>19,533,533</td>
</tr>
</tbody>
</table>
### 15. (b) RECONCILIATION OF DEFICIT FOR YEAR ENDED 30 JUNE 2007 UNDER PREVIOUS GAAP TO DEFICIT UNDER IFRS FOR SAME PERIOD

<table>
<thead>
<tr>
<th></th>
<th>Under Previous GAAP</th>
<th>Effect of Transition</th>
<th>Under IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Income</td>
<td>279,940</td>
<td>-</td>
<td>279,940</td>
</tr>
<tr>
<td>Government Grant</td>
<td>12,671,699</td>
<td>-</td>
<td>12,671,699</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,191,530</td>
<td>-</td>
<td>1,191,530</td>
</tr>
<tr>
<td></td>
<td>14,483,165</td>
<td>-</td>
<td>14,483,165</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(20,690,593)</td>
<td>(522,854)</td>
<td>(21,213,447)</td>
</tr>
<tr>
<td></td>
<td>(6,469,024)</td>
<td>(522,854)</td>
<td>(6,991,880)</td>
</tr>
</tbody>
</table>

### 16. EFFECTS OF ADOPTING IFRS ON BALANCE SHEETS AS AT 30 JUNE 2007 AND AT 1 JULY 2006 (DATE OF TRANSITION)

<table>
<thead>
<tr>
<th></th>
<th>AT 30 JUNE 2007</th>
<th>AT 1 JULY 2006 (Date of Transition)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Under IFRS</td>
<td>Effect of transition</td>
</tr>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>3,409,379</td>
<td>-</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors &amp; Advances</td>
<td>1,569,862</td>
<td>-</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>11,907,137</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>13,477,019</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>16,866,598</td>
<td>-</td>
</tr>
<tr>
<td><strong>Funds and Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>15,272,461</td>
<td>(2,583,633)</td>
</tr>
<tr>
<td>Non Current liabilities</td>
<td>255,293</td>
<td>2,759,580</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade &amp; Other Payables</td>
<td>1,359,244</td>
<td>(175,947)</td>
</tr>
<tr>
<td></td>
<td>16,866,598</td>
<td>-</td>
</tr>
</tbody>
</table>
Protecting the Environment through Enhanced Productivity

Make Mauritius Work. Together