



Adapting to the new socio-economic
landscape

ANNUAL REPORT 2015



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

VISION

BETTER LIVING FOR THE NATION

CORE OBJECTIVE

DEVELOPMENT OF A PRODUCTIVITY CULTURE

VALUES

EXCELLENCE

COMMITMENT

INNOVATION

CONTINUOUS LEARNING

TEAM SPIRIT

GUIDING PRINCIPLES

EMPOWERMENT

EDUCATION

EMPLOYABILITY

ENTREPRENEURSHIP

MISSION

MAKE MAURITIUS WORK TOGETHER

LETTER
FROM THE CHAIRMAN



LETTER FROM THE CHAIRMAN



Hon. Sudarshan BHADAIN GCSK
Minister of Financial Services, Good Governance &
Institutional Reforms.

Dear Minister,

In accordance with paragraph 18 of the National Productivity and Competitiveness Council (NPCC) Act 1999, I have the honour to submit to you the annual report of the NPCC, for the year 2015.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'S. Mulloo'.

S. Mulloo
Chairman

**PERFORMANCE REPORT
FROM THE OFFICER IN CHARGE**



PERFORMANCE REPORT FROM THE OFFICER IN CHARGE



ADAPTING TO THE NEW SOCIO-ECONOMIC LANDSCAPE

The year 2015 was another challenging, yet fruitful year for the Productivity Movement. Though the global economic recovery remained fragile in 2015, with global growth rate projected to be 3.5 per cent as per the January 2015 World Economic Outlook (WEO) Update, the Mauritian economy continued to show resilience. In the midst, it created opportunities given that government, public and private organisations, including small and medium enterprises amongst others, started taking cognizance of the critical need of enhancing productivity to drive business and remain competitive for the country to graduate to a high-income economy.

We, at the National Productivity and Competitiveness Council (NPCC), took up the challenge and designed new programmes and projects, whilst revisiting existing ones, to better meet the needs and aspirations of our growing list of customers. This report illustrates our main projects and activities which were undertaken in 2015.



HIGHLIGHTS 2015

Mauritius: The Gateway to Africa- Increasing Productivity; Building Leadership

As underlined in the last Annual Report, the NPCC embarked on a new project in 2015 to develop leadership capabilities at all levels and position Mauritius as a thought leader regionally and globally. As part of this project, we adopted a participatory approach, involving the collaboration of various stakeholders representing the interest of the public sector, private sector, trade unions, NGOs, developmental and civil society organisations to design the Mauritius Leadership Brand. The Mauritius Leadership Brand which was unveiled to the public during Dave Ulrich's seminar held on September 3rd 2015 aims to build a reputation for developing exceptional Mauritian leaders with a distinct set of talents that are uniquely geared to fulfil stakeholders' expectations. The development of the Mauritian Leadership Brand will drive the emergence of a Mauritian human capital and culture as the differentiator to ensure prosperity and wellness of our people. Going forward, we will focus on making Mauritians live the brand. A Sub- committee has been set up for this purpose to look at the research, leadership development, brand promotion and implementation of related projects aspects.

Grooming Young Mauritian Leaders

In line with its objective of building leaders at all levels, the NPCC embarked on the "Grooming Young Mauritian Leaders" project which aims to build a network around young Mauritian leaders to support them and enable them to be effective and successful as they continue on their leadership journeys and nurture a new breed of young Mauritian Leaders who live up to the Mauritius Leadership Brand. The project which will be implemented on a pilot basis from October 2015- December 2016 is being supported by the United States Embassy, Mauritius which has provided a grant to run the project.

Research and Knowledge Management

View the importance of documenting and sharing best practices about the implementation of productivity improvement programmes in enterprises to motivate enterprises to join the productivity bandwagon, the NPCC published and disseminated its first compiled list of case studies to stakeholders in public and private sector, including small and medium enterprises (SMEs). The publication highlights productivity improvement projects in SMEs as part of the NPCC's Growth Opportunity for SME (Go- SME)

project which ran from November 2014 to April 2015 to encourage entrepreneurs from the SME sector to embed productivity and quality concepts in their organisational mosaic to better compete in the local, regional and global market.

In the same vein, the NPCC worked on its first compilation of "Productivity and Competitiveness Issues" which highlights the salient points of the productivity and competitiveness performance of the country to guide specific policy choices to be made to bolster inclusive and sustainable growth. The report which will henceforth become an annual publication will be circulated (distributed) to ministries, public bodies, private organisations and other relevant institutions in the first quarter of the year.

"The development of the Mauritian Leadership Brand will drive the emergence of a Mauritian human capital and culture as the differentiator to ensure prosperity and wellness of our people"

Learning from Best Practices

As part of its commitment undertaken in 2013 to invite top gurus in various fields to share their experience and expertise with local organisations, both public and private, the NPCC organised a full day workshop on the theme "Strategy, Talent & Leadership for growth", led by Professor Dave Ulrich, on 03 September 2015. 500 professionals from various sectors attended this workshop whereby they were empowered with the tools, skills and knowledge needed to develop successful talent management strategies and a leadership culture to drive their business to success.

PERFORMANCE REPORT FROM THE OFFICER IN CHARGE

Productivity and Competitiveness Academy

Since the setting up of the Productivity and Competitiveness Academy in 2008, the NPCC is becoming an important training partner for various public and private organisations in the country. In 2015, we trained more than 4000 participants in the use of productivity and quality improvement tools. As a proactive step to better respond to the needs of our customers by exposing them to international best practices, we signed a Memorandum of Understanding (MOU) with the 3ASolutions Group from France to render training services in Mauritius.

We are also laying more emphasis on in-plant and tailor-made training to ensure that training being dispensed by the NPCC is being put into practice in the workplace.

“In 2015, we trained more than 4000 participants in the use of productivity and quality improvement tools.”

Enterprise Productivity Programmes

In view of the financial crisis, more and more enterprises are now seeking consultancy services from the NPCC to implement productivity improvement programmes in their organisations. In 2015, 17 enterprises including large, medium and small enterprises were serviced by our consultancy unit through our customised productivity improvement programmes.

We also rewarded all the small and medium enterprises which participated in our Go-SME project and in order to encourage SMEs to pursue their productivity journey, it was decided to offer a special package to our existing GoSME clients.

Entrepreneurship Development

In tandem with its guiding principle of promoting entrepreneurship in Mauritius, the NPCC collaborated with the Ministry of Business, Enterprise and Cooperatives to conduct capacity building programmes for 60 women entrepreneurs to guide them in running their business more efficiently and effectively and creating value for their customers.

Similarly, in order to promote entrepreneurship among unemployed youth, the NPCC extended its collaboration to E-Inclusion Foundation to train 35 youngsters for their “Build their Business” project which was sponsored by Microsoft Indian Oceans and Pacific.

Catching them Young to Innovate

As part of our dedication to nurturing an innovation culture in Mauritius to enhance productivity and competitiveness, the NPCC collaborated with the Ministry of Education and Human Resources to implement the 8th edition of the InnovEd (Innovation for Education) project. The aim of this project is to promote creative and critical thinking, problem solving and innovation among secondary school students in the Republic of Mauritius so as to catch them young and shape their innovative mind-set. 75 facilitators (65 from Mauritius and 10 from Rodrigues) followed a two-day training conducted by the NPCC to equip them with innovation tools and techniques to implement the project at school level. The 250 students who participated in the project had the chance to showcase their projects at national level and they were also rewarded for their ingenuity during an award ceremony. Along the same line, the NPCC collaborated with the Citizen’s Advice Bureaux-Rose belle & Bois des Amourettes to organise training programmes on creativity and innovation for about 312 children residing in deprived regions.

As in previous years, we also organised our holiday’s special courses for students on the use of creativity and innovation tools and techniques. 82 students attended the training which was held in December 2015.



Community Empowerment

Empowerment of the community continued to be part of our agenda in 2015. We renewed our collaboration with the Ministry of Gender Equality, Child Development and Family Welfare, through the National Women Entrepreneurship Council to conduct leadership programmes for women community leaders. About 226 leaders followed training dispensed by the NPCC to hone their leadership capabilities.

In addition, we reiterated our commitment to promote ICT as an indispensable tool of development for the citizens through our partnership with the Entrepreneure au Feminin Ocean Indien, E- Inclusion Foundation and Microsoft Indian Ocean Islands to organise ELIT (English Literacy Using Information Project) courses for women.

We also collaborated with the Non- State Actors Unit of the Ministry of Social Security, National Solidarity and Reform Institutions to train 20 non- state actors in social leadership.

Productivity Awareness

As in previous years, we continued advocating about the importance of improving productivity through the organisation of road- shows. Two road- shows were organised in 2015 to create awareness about productivity tools and concepts and the services offered by the NPCC.

The NPCC website has been updated to make it more user-friendly to allow our stakeholders to access project information, browse research documents and share their views on different topics through our blogs. Our presence on Facebook continued to attract favourable attention and an increasing number of "likes" from a variety of users. Through our quarterly newsletter we continued to spread productivity news to our stakeholders.

We also organised a workshop on "Emotional Well Being is Everybody's Business" in collaboration with Dr. A. Basseer Jeeawody and the University of Mauritius, targeted at the general public, to raise awareness about the link between emotional well-being and productivity.

Outlook for 2016

2015 has been a year of continued progress whereby solid performance was recorded. Moving into 2016, we will adopt our new strategic plan 2016- 2019 which was developed through a participatory process, taking into account major changes in the global and local landscape and aligned with the government's 2015- 2019 Programme and Vision 2030. Based on the theme

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

Acknowledgements

As I look back on 2015, I take great pride in the fact that we continued to be successful doing what we do best – bettering the lives of our people. This is the purpose that drives us. It sparks our creativity, gives us energy, enables us to deliver for our customers and, ultimately, generates value for our organisation.

All our achievements were made possible by the collective effort of various stakeholders who believed in us and relentlessly supported us in achieving our vision and mission and delivering on our mandate.

I am grateful to Hon. Sudarshan Bhadain GCSK Minister of Financial Services, Good Governance and Institutional Reforms, for his full fledge support to the NPCC.

I would like to extend my deepest appreciation to the new Chairman of the NPCC for his dedication, commitment and leadership.

I am thankful to the new Council members for their unflinching support in steering the productivity movement.

I would also like to express my gratitude to all our customers, partners and international partners for their unwavering support. My special thanks also go to the management team and all staff for their hard work, passion and resilience in delivering greater value for stakeholders. I believe that the experience and capabilities we have built and the progress we have made in dealing with challenges in the recent past will be reflected in our performance in 2016 and beyond.

D. Appalswamy
Officer in Charge

PERFORMANCE REPORT FROM THE OFFICER IN CHARGE

“

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

”

Peter Drucker

**CORPORATE
GOVERNANCE**



CORPORATE GOVERNANCE

Corporate Governance Report for the year ending 31st December 2015

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

COMPLIANCES AND ENFORCEMENT

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

BOARD OF DIRECTORS

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

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

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

OPERATIONS OF THE COUNCIL

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

PROFILE OF COUNCIL MEMBERS

From January to June 2015

MEMBERS REPRESENTING THE INTERESTS OF

THE GOVERNMENT

Mr Iswurlall Bonomaully (Acting Chairman) was nominated Council member in April 2013. He is a Fellow of the Association of Chartered Certified Accountant and holds an MSc in Finance from the University of Mauritius. He acted as chairman of the NPCC from December 2014 to June 2015. He started his career as Inspector of Taxes at the then Income Tax Department in 1988. From 1992 to 2007, he conducted a number of management reviews and consultancy exercises on Ministries/Government parastatal bodies. He joined the Ministry of Finance and Economic Development as Lead Analyst in 2007 and is responsible for the portfolio 'Increasing Competitiveness', which includes Industry and Business as well as schemes and programmes under the National Resilience Fund.

MEMBERS REPRESENTING THE INTERESTS OF THE EMPLOYERS

Dr Azad Jeetun holds a BA Hons in Economics First Class, an MA in Economics First Class and a PhD in Economics from University of Karachi, Pakistan and a Master of Arts in Economic Policy (MAEP) from Boston University USA. He was a Hubert H Humphrey Fellow at Boston University. He is a member of the ILO Governing Body.

He has been the Director of the Mauritius Employers' Federation from January 1991 to January 2013 and the Honorary Director of the Mauritian Institute of Management from 1992 to July 2013. He has been the Secretary General of Business Africa which represents employers' organizations in Africa from 1995 to 2013. He was elected member of the Economic and Social and Cultural Council of the African Union from 2008 to 2012. He was also a member of the ACP-EU Follow-up Committee of the Economic and Social Interest Groups of the European Economic and Social Council for more than 10 years. Dr Jeetun has been a member of the NPCC from 2004 to 2011. He was again nominated Council member in April 2013.



MEMBERS REPRESENTING THE INTEREST OF THE FEDERATION OF TRADE UNIONS

Mr Haniff Peerun was nominated Council member in April 2013. He holds a diploma in management from the Mauritius Institute of Education. He is the President of the Mauritius Labour Congress, the All Workers' Federation and the Government Urdu Teachers Union.

MEMBERS DRAWN FROM INDUSTRY ASSOCIATIONS, CONSUMER ORGANISATIONS

Ms Nishma Pratibha SOOKOOL is a trainer in Applied Science at Ecole Hoteliere Sir Gaetan Duval, delivering courses on Food Hygiene, Food Microbiology and Nutrition. She holds a BSc (Hons) in Food Science and Technology, and an Msc in Food Technology from the University of Mauritius. She was nominated Council Member in April 2011.

Ms Jane YEE SAK CHAN is an accountant within the manufacturing sector, and has also a wide experience in the IT field whereby she has worked on the implementation of several projects. Ms Yee Sak Chan is a member of the Association of Chartered Certified Accountant. She also holds an MSc in Analysis, Design and Management of Information System from the London School of Economics and Political Science, and a BSc in Management Sciences from the University of Warwick. She was nominated Council Member in April 2011.

THE COUNCIL WAS RECONSTITUTED IN OCTOBER 2015 PROFILE OF COUNCIL MEMBERS October to December 2015



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



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



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

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

CORPORATE GOVERNANCE



MEMBER REPRESENTING THE INTERESTS OF PRIVATE SECTOR

Mr. Pradeep DURSUN is the Chief Operating Officer of Business Mauritius since November 2015. He was previously the Acting Director of the Mauritius Employers' Federation.

Mr Dursun reckons more than 10 years of service at the Association and was formerly the Human Resource and Industrial Relations Adviser.

He has a multidisciplinary background having studied social sciences, law and human resource management and industrial relations. He represents the Association on several bodies and has wide experience as a trainer in the field of industrial relations and employment law. Mr Pradeep Dursun was nominated Council member on 8th October 2015.



MEMBER REPRESENTING THE INTEREST OF THE FEDERATION OF TRADE UNIONS

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

MEMBERS, DRAWN FROM INDUSTRY, ASSOCIATIONS AND CONSUMER ORGANISATIONS



Mr. Jayen CHELLUM is the General Secretary of ACIM and was nominated Council member on 8th October 2015.



Mrs. Danielle WONG, CSK is the Chairperson of the National Corporate Social Responsibility Committee. She is a Member of the Mauritius Institute of Directors and has also been a Member of the American Society for Quality as well of the World Quality Council. She has a wide experience in the EPZ sector and has participated in different Textile conferences in Paris, London, Dusseldorf, Kenya, Addis, Abeba, Ethiopia, Botswana and South Africa. She was elevated to the rank "Commander of the Order of the Star and Key of the

Indian Ocean (CSK) for her contribution to the industrial sector by the Government of Mauritius in 2012. She holds a degree in International Law. She has been the Director of Mauritius Export Association from 1988 to 2014. Mrs Wong was nominated council member on 8th October 2015.

Sub Committee of the Council

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

The Finance Committee

The Finance Committee consists of 3 members of the Council as follows:-

1. Mrs Nulini Devi Kinnoo (Chairperson)
2. Mr. Pradeep Dursun
3. Mr Rashid Imrith

The responsibilities of the Finance Committee are as follows:-

- 1.1 Responsible for procurement and inter alia examine bids above Rs 100, 000 and make recommendation to the council for award of contracts
- 1.2 Examine the Annual Estimates and to make recommendations to the Council accordingly
- 1.3 Make any other recommendations of a financial nature to the Council

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

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

THE HUMAN RESOURCE COMMITTEE

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

1. Mr Rashid Imrith (Chairperson)
2. Mr Jayen Chellum
3. Mrs Danielle Wong

The responsibilities of the Human Resource Committee are:-

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

Statement of Attendance to Council meetings (November to December 2015)

No. of Council Meetings Held: 2	No. of Meetings Attended
Mr. Sanjiv MULLOO Chairperson	2
Mr. D. TOWOKUL Vice Chairman	2
Mrs. Nulini Devi KINNOO Member, representing the interests of Government (Ministry of Financial Services, Good Governance and Institutional Reforms)	2
Mr. Jayen CHELLUM Member, drawn from Industry, Associations and Consumer Organisations	2
Mr. Rashid IMRITH Member representing the interests of the federation of Trade Unions	2
Mrs. Danielle WONG, CSK Member drawn from Industry Associations, Consumer Organisations	2
Mr. Pradeep DURSUN Member, representing the interests of Private Sector	2

Statement of Attendance to Finance Committee meetings

No. of Finance Committee Meeting Held:1	No. of Meetings Attended
Mrs. Nulini Devi KINNOO Member, representing the interests of Government (Ministry of Financial Services, Good Governance and Institutional Reforms)	1
Mr. Rashid IMRITH Member representing the interests of the federation of Trade Unions	1
Mr. Pradeep DURSUN Member, representing the interests of Private Sector	1

Statement of Attendance to Human Resource Committee meetings

No. of Human Resource Committee Meetings Held: 2	No. of Meetings Attended
Mr. Rashid IMRITH Member representing the interests of the federation of Trade Unions	2
Mr. Jayen CHELLUM Member, drawn from Industry, Associations and Consumer Organisations	2
Mrs. Danielle WONG, CSK Member drawn from Industry Associations, Consumer Organisations	2

Statement of remuneration of Council members

The Chairman, Vice Chairman and Members of the council receive a monthly fee as Council Members.

Payment for the Finance Committee and the Human Resource Committee are made as per attendance for a maximum of two meetings per month.

CORPORATE GOVERNANCE

Remuneration of Members for Financial Year 2015 January to June 2015

COUNCIL/COMMITTEE MEMBERS	COUNCIL AND COMMITTEE FEES (RS)
Mr. Ishwalall Bonomaully	54,000
Mr. Azad Jeetun	36,000
Mr. Mohamud Haniff Peerun	36,000
Mrs. Nishma Sookool	36,000
Ms. Jane Yee Sak Chan	36,000

September to December 2015

COUNCIL/COMMITTEE MEMBERS	COUNCIL AND COMMITTEE FEES (RS)
Mr. Sanjiv Mulloo	165,000
Mr. D. Towokul	90,322
Mr. Jayen CHELLUM	24,000
Mr. Pradeep DURSUN	21,000
Mr. Rashid IMRITH	31,000
Mrs. Nulini Devi KINNOO	23,000
Mrs. Danielle WONG, CSK	24,000

Donations

No donation has been effected during the year.

Code of Ethics

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

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

Related Party Transaction

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



Statement of Director's Responsibility

The Council acknowledges its responsibilities for:

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

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

The Directors report that:

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

Signed on behalf of the NPC Council.

Mr S. Mulloo

Chairman

Mr D. Towokul

Vice Chairman

CORPORATE GOVERNANCE

Directors' Statement for Internal Control

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

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

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

Signed on behalf of the National Productivity and Competitiveness Council.



Mr S. Mulloo

Chairman



Mr D. Towokul

Vice Chairman

**STRATEGIC
PLANNING**



STRATEGIC PLANNING

THREE PILLAR APPROACH TO IMPROVE PRODUCTIVITY

1. Background

The imperative to improve productivity has never been so pressing than it is now in the wake of the daunting challenges being faced by Mauritius to move to a high income economy. For productivity to thrive, it is important that everyone; the public sector, the private sector and the citizen join the productivity bandwagon to drive Mauritius from its current stagnant situation to be a high income economy which is both inclusive and sustainable.

For 2015 the NPCC adopted a 3- pillar approach (see figure 1) to improve productivity, and thereby moving to a high- income economy.



Figure 1: 3- pillar approach to improve productivity framework



2. Components of the Three-pillar approach

2.1 Engaged citizens

In the pursuit of a better standard of living, it is important to put the citizen at the centre-stage. The citizen is not only a service-receiver, but also contributes to funding the public sector whilst contributing to wealth-creation in the private sector. It is therefore important that the latter has a say in all matters relating to his/her welfare and well-being. The voice of the citizen should be heard and he/she should also actively participate in community-building and nation-building programmes and projects. He/she is not a passive receiver but above all a contributor, a watch-dog and should be put at the centre of any developmental effort, including productivity improvement.

2.2 Efficient and effective public sector

The delivery of government services must be efficient and effective to facilitate the operations of the private sector whilst responding to the needs of the citizen. A lean and customer-focussed government are key for an efficient and effective public sector.

2.3 Productive and competitive private sector

The transformation of Mauritius from middle-income status to a high-income status depends largely on the entrepreneurial initiatives of the private sector, including large, medium and small enterprises. Re-energising the private sector to drive growth is hence crucial.

3. Foundational base of the three-pillars

In order to withstand the three pillars mentioned above, a strong foundation is essential which comprises of the following components:

3.1 Leadership: Leadership is all about strengthening governance at all levels – from private sector, public sector, civil society and families-to high standards of accountability, transparency, inclusiveness and fairness.

3.2 Customer orientation: Everything revolves around the customer. Unless the latter is happy, everything else will crumble down.

3.3 Empowerment: Empowerment is the freedom of the people to influence development and decisions that affect their lives.

3.4 Quality Environment: Productivity is closely connected to the quality of the environment. This includes the physical environment in which we live; be it our workplace, our community, our country as well as nature.

3.5 Elimination of wastes: By definition, waste is anything that does not add value.

3.6 Continuous improvement/innovation: Continuous improvement/innovation is the gateway to excellence. Doing things better and doing better things spawn faster change.

3.7 Feedback/Communication: The silos and barriers of trust and communication should be broken down at all levels in order to foster quality growth and raise the standard of living in a sustainable manner for all citizens.



STRATEGIC PLANNING

“

Productivity is never an accident. It is always the result of commitment to excellent, intelligent planning and focused efforts

”

Paul J. Meyer

EMPOWERMENT FOR DEVELOPMENT



EMPOWERMENT FOR DEVELOPMENT

PRODUCTIVITY AND COMPETITIVENESS ACADEMY

Productivity is undoubtedly a key issue in organisational growth. Conventional wisdom has it that capital investments in equipment, technology and other physical assets will trigger productivity growth. They do indeed! But these types of "hard" investments will ensure productivity to soar only if they are on a par with the organisation's soft culture and leadership behaviours.

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

The Program imparted to participants how to determine the needs of the learners and improve effectiveness and efficiency of performing tasks. The participants were team leaders, managers, middle managers, facilitators and trainers from public and private sectors. The "Train-The-Trainer for On-The-Job Facilitators" was conducted in February, March and April 2015. 25 participants were trained.

Lean Management

The training Program taught the participants how to identify the stages of change, to manage them successfully and lay the foundation for an organization to accommodate and ultimately embrace change. The purpose of this course was to guide the participants towards profitability by improving quality, cost, and delivery by applying lean practices. The course was targeted to Middle management, and Managers. The training was conducted in the month of March 2015 and 10 participants were trained.

Innovation for Terra

The course was designed to prepare Terra employees to participate in the Innovation Competition organized by Terra. The course helped the participants to develop an innovative mindset and expertise. The training was held in the month of April and May 2016. The course was targeted to Managers, Staff and operators. 1300 participants were trained.

Total Quality Management TQM for productivity improvement

The Total Quality Management (TQM) for Productivity Improvement course aimed at making quality everyone's business. The objective was to equip participants to understand total quality management so that they can make Quality and Continuous Business Improvement work to best effect in their organization. The training was conducted in the month of May 2015 and the target groups were Middle management, and Managers. 20 participants were trained.





Customer Care Course

The course provided an insight to participants on how to give excellent customer service to customers both inside and outside the organization. They learned how to develop and maintain a positive attitude, show extra attentiveness to customers, develop customer friendly attitude and deal effectively with customer complaints and problems. The training was held in the month of June and July 2015. The participants for this course included staff of public and private sector. 30 participants were trained.

Strategic Visioning

The course was designed to provide business leaders and executives the opportunity to apply strategic visioning required to improve overall competitiveness. The training was held in the month of July 2015. The target groups were leaders and managers. 20 participants were trained.

Project Management: Tools, Principles, Practices

The course was formulated to better equip participants against the challenges of the constantly evolving business environment. The training was held in the month of June 2015. The target groups were Middle Management and Managers. 20 participants were trained.

Leading Effective Teams

The course was designed for participants to know their own values, strengths, qualities as a leader and their own leadership style. The objective of the course was to analyse team roles and put into place strategies for teambuilding. The training was conducted in the month of October 2015. The target group was senior bankers of the Mauritius Bankers Association.

Team Building

Team Building Exercise was conducted in the month of June and December 2015 for staff of the Registrar office and Mybiz. 75 participants of Registrar General Office and 82 participants of Mybiz were trained.



EMPOWERMENT FOR DEVELOPMENT

The Balanced Scorecard

The intensive three day program was held in October 2015 by Dr Benoit Naous, Founder and CEO of 3A Solutions Group .The objective of the training was to introduce balanced scorecard concepts, provide an overview of balanced scorecard process and learn how to develop a strategy map. The target groups were Top Management, Middle Management and SMEs. 30 participants attended the workshop.

Workshop on Emotional Well Being is Everybody's Business

The NPCC in collaboration with the University of Mauritius organised a workshop on "Emotional Wellbeing is Everybody's Business: Optimising contentment and productivity in Mauritius. The workshop was conducted in the context of the 50th Anniversary of the University of Mauritius. It was held on 16th December 2015 by Dr A.Basseer Jeeawody BA (Hons) Psych Med PhD MAPS. The workshop focused on the ability to understand the value of emotions and use them to move life forward in positive directions. 150 participants attended the workshop.

Social Leadership

The training was based on the ability to bring people together, facilitate agreements and drive efforts in the same direction. The target groups were members of Non State Actors. The training was conducted in the month of October 2015.



**RESEARCH
AND KNOWLEDGE MANAGEMENT**



RESEARCH AND KNOWLEDGE MANAGEMENT

MAURITIUS: THE GATEWAY TO AFRICA- INCREASING PRODUCTIVITY; BUILDING LEADERSHIP

As Mauritius thrives to boost its economic growth and position itself in the market, talent development and building sustained leadership capability are crucial. Furthermore, rather than simply letting a leadership brand emerge haphazardly, it is important to cocreate a Mauritian Leadership Brand. The project "Mauritius: The Gateway to Africa – Increasing Productivity; Building Leadership" which was initiated in 2014, was implemented in 2015 with the prime objectives of:

1. crafting the Mauritius Leadership Brand. The Mauritius Leadership Brand aims to build a reputation for developing exceptional Mauritian leaders with a distinct set of talents that are uniquely geared to fulfil stakeholders' expectations.
2. providing research-based insights, skills, knowledge, and tools that Mauritian leaders need to leverage the talent of their people and achieve spectacular results.
3. building an overall roadmap to ensure execution, geared towards positioning Mauritius as a leader in the region and achieving long-term economic growth for the betterment of one and all

Committee to drive project implementation

A committee constituting of representatives of the following organisations was set up to drive the project.

- Director, Joint Economic Council (Chairperson)
- Permanent Secretary, Ministry of Financial Services, Good Governance and Institutional Reforms
- Permanent Secretary, Ministry of Civil Service and Administrative Reforms
- Director, Mauritius Employers' Federation
- Officer in Charge, NPCC
- Lead Productivity and Competitiveness Academy, NPCC
- Lead Research and Knowledge Management, NPCC
- Local representative of RBL

Designing the Mauritius Leadership Brand

A participatory approach, consisting of a survey and consultative meeting with different stakeholders was adopted to develop the Mauritius Leadership Brand. The survey which was conducted via questionnaire method was sent to public and private sector enterprises, including cooperatives and NGOs from June to beginning August 2015 to gain insight about current leadership trend in organisations. The survey was closed in August 2015 with 96 respondents completing the survey. The report of the survey was shared with the participants of the brainstorming session to use as a base to craft the Mauritius Leadership Brand.

Consultative meetings were held with about 60 stakeholders representing the interest of the trade unions, NGOs, public sector and private sector on the 19th and 20th of August. This was followed by a plenary session held on the 25th August 2015 whereby 23 delegated representatives from each stakeholder group viz trade union, NGOs, public and private sector were present to formulate the Mauritius Leadership Brand.





UNVEILING THE MAURITIUS LEADERSHIP BRAND

The Mauritius Leadership Brand was unveiled to the public during Dave Ulrich's seminar held on September 3rd 2015 by Hon. Sudarshan Bhadain GCSK, Minister of Financial Services, Good Governance and Institutional Reforms.

The Mauritius Leadership Brand has two major elements namely the fundamentals and the differentiators which Mauritian leaders must master.



The fundamentals or the code are:

- Strategist: Leaders must master strategies; they need to have a point of view about the future and position their organisations for continued success.
- Executor: Leaders must be able to execute; they must build organisational systems that work, deliver results and make change happen.
- Talent manager: Leaders must be able to manage today's talent, know how to motivate, engage and communicate with employees.
- Next generation developer: Leaders must find ways to develop tomorrow's talent and groom employees for future leadership.
- Personal proficiency- Leaders must demonstrate an ability to learn, act with integrity, exercise social and emotional intelligence, make bold decisions and engender trust.

And the Leadership Brand differentiators are:

- Together: Leaders must be able to pull people together and collectively achieve set goals.



- Innovating: Leaders must be able to apply innovative thinking to leadership tasks and create a climate where everyone applies innovative thinking to solve problems and develop new products and services.
- Trusted: Leaders must act selflessly and do what he or she says they will for the common good.
- Excellence: Leaders must be visionary, ethical and strive for delivering world class results.

Colours used for the MLB framework:

- Red: Represents the Mauritian Community. We need to trust our fellow citizens to make progress for the betterment of one and all.
- Blue: Represents the oceans and novelty. We need to adopt new ways of thinking and doing and explore our oceans to make it a new source of growth.
- Yellow: Represents hope towards a better, sustainable future.
- Green: Represents the greenery of the island and translates the idea of working towards sustainable, inclusive growth.



Way-Forward

In order to make Mauritians live the Mauritius Leadership Brand, it is proposed to set up four sub-working groups comprising of experts from diverse backgrounds to develop concrete action plans to accelerate the implementation of the project.

RESEARCH AND KNOWLEDGE MANAGEMENT

BUILDING A CULTURE OF CONTINUOUS IMPROVEMENT –CASE STUDY OF GO SME PROJECT

Learning from best practices is critical to build up a culture of continuous improvement in organisations. In this perspective, the NPCC compiled and shared successful productivity improvement projects implemented in small and medium enterprises in Mauritius with stakeholders from the public and private sector. The productivity improvement initiatives were undertaken by small and medium enterprises in 2014-2015 as part of the Growth Opportunity for Small and Medium Enterprise (Go-SME) programme implemented by the NPCC in 2013- 2015 to pave the way for the SME sector to join the productivity bandwagon.

PRODUCTIVITY AND COMPETITIVENESS INDICATORS

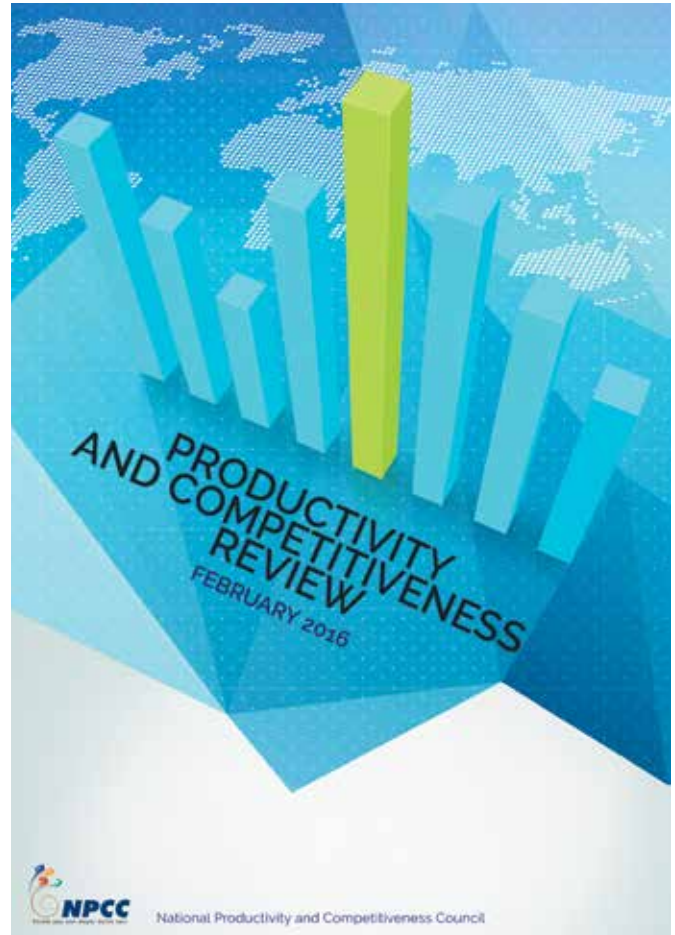
Productivity measurement is a prerequisite for improving productivity and competitiveness. In this context, the NPCC has started working on its first Productivity and Competitiveness Review in 2015. This document which highlights the salient features of the productivity and competitiveness performance of the country to guide specific policy choices to be made to bolster inclusive and sustainable growth will be shared with stakeholders from the public and private sector in early 2016.

DISSEMINATION OF KNOWLEDGE

For organizations to become efficient, entrepreneurial and liberated, they need organizational knowledge creation, that is the capacity for the company as a whole to create knowledge, disseminate it throughout the organization and embody it in products, services and systems so that they can continuously innovate to have a competitive advantage.

Knowledge can be created in two ways namely:

- explicit knowledge contained in books, manuals and procedures through which employees acquire and develop new knowledge that they put in practice at the workplace for improved services and products. In this perspective, in 2015, the Knowledge Centre acquired 379 new resources that were rightly disseminated to stakeholders in view of enabling companies and individuals acquire new knowledge to develop new systems, products and services.



- tacit knowledge learned through experience and shared and communicated among individuals to generate new knowledge. An innovative way for individuals in different locations to participate and discuss in a seminar / conference style and share their views and ideas over the Internet is through webinars. Invitations to participate in webinars on themes such as activity-based costing, team work and time management were posted on the NPCC webpage to enable a wider audience to have access to this innovative knowledge sharing activity where tacit knowledge flows in different directions. Also knowledge sharing sessions were organized internally in 2015 to share insights on topics such as value added productivity measurement, gainsharing and activity sampling.

BEST PRACTICES



BEST PRACTICES

GROWTH OPPORTUNITIES FOR SME (GO SME)

A Handing over of certificates ceremony of the Growth Opportunities for SME (GO SME) participants was held on 21st June 2015 at the Business Parks of Mauritius Limited (BPML), Ebene. 90 SMEs were rewarded as the productivity champions trained by the NPCC. The ceremony was graced by the presence of the Minister of Business Enterprise and Cooperatives, Hon. Soomilduth Bholah and the Permanent Secretary of the Ministry of Financial Services, Good Governance and Institutional Reforms, Mr. Ram Prakash Nowbuth.

The Growth Opportunities for SME (Go SME) was officially launched on 05 December 2013 following the 2014 budget speech, whereby the National Productivity and Competitiveness Council (NPCC) was required to provide training on productivity to SMEs.

The Go SME project consists of three phases:

Phase 1: Analysis

Phase 2: Training

Phase 3: Implementation

The analysis phase was conducted during the first four months of year 2014 and 600 companies registered for the GoSME project. During the period of May to October 2015, 7 batches of 20 Productivity Champions identified by SMEs were trained on the concepts and tools of Lean Management. Following the training, the Productivity Champions were motivated to implement at least one project in their respective enterprise. 90 projects have been implemented in enterprises

The 90 Projects impacted on:

- Efficiency
- Sales
- Cost
- Delivery Time
- Quality

SMEs having completed the three phases of the GoSME project will be eligible to a special package under the NPCC PQIP (Productivity and Quality Improvement Programme) project where they will contribute a minimal fee and NPCC consultants will continue to follow up with a new project in their enterprises. A publication of case studies highlighting the achievements of a few of the SMEs which have participated in the project is in the pipeline.





STRATEGY, TALENT AND LEADERSHIP FOR GROWTH

On 3rd September 2015 the National Productivity and Competitiveness Council (NPCC) hosted a workshop by Professor Dave Ulrich on "Strategy, Talent and Leadership for Growth". The workshop was conducted on 3rd April 2015 by Professor Dave Ulrich. The objective of the workshop was to provide participants with the tools, skills and knowledge needed to develop successful talent management strategies, leadership and culture, which will drive businesses to success. The target groups were Directors, Managers, Middle Management, Human Resource Managers amongst others. 513 participants attended the workshop.

Dave Ulrich emphasized on techniques to be applied by leaders to remain competitive. He elaborated on the various elements of organization competitiveness equating organization capability with individual ability. He also highlighted the importance of talent and teamwork and the need to create employee engagement, devising a new talent formula:

Talent = Competence x Commitment x Contribution

Defining culture, Dr. Dave Ulrich said that Culture was the ability to shift from an event to a pattern and ultimately to an identity. For instance, unity is a strong culture; it drives performance, and needs outside influence.

When firms have more unity their performance goes up and performance continues to go up when unity is inclusive of diversity and outside perspective. Performance can go down when unity does not include diversity and outside perspective.

“Teach people how to think not what to think”



BEST PRACTICES



“Strategy, Talent and Leadership for Growth”





COMMUNITY EMPOWERMENT

Training on Leadership and Communication skills in Women Centres.

The training was designed for women to know their values, strengths, discover their leadership qualities and style. The women had the opportunity to learn how to improve interaction with others in decision making through communication, working together and delegating. The trainings were conducted at the National Women Entrepreneurs Council Phoenix and in different women centres; Abercrombie, Riviere du Rempart, Notre Dames.

English Literacy using IT (ELIT)

The English Literacy using IT (ELIT) programme has the core objective of enabling women improve their competencies in functional English Literacy. NPCC is responsible for conducting the training of trainers, monitoring and evaluation of the Elit courses. The quality of the course is evaluated through the portfolio developed by participants and upon successful completion of the course, NPCC bestows the participants an attendance certificate.

The National Productivity and Competitiveness Council (NPCC) in collaboration with the Entreprenre au Feminin Ocean Indien (EFOI) Microsoft Indian Ocean Islands and E-Inclusion Foundation, organized training on English Literacy using IT (ELIT) for 30 women for the period of January to June 2015 in the region of Curepipe.

ROADSHOW

In its endeavor to foster a productivity culture in Mauritius, the National Productivity and Competitiveness Council (NPCC) organized a roadshow on 27th June 2015 at Shoprite to sensitize people and provide them with information about productivity and the various services they can avail at the NPCC. The outdoor activity was greatly appreciated.

1350 people were sensitized.



BEST PRACTICES

“

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

Paul Krugman

”

INNOVATION



INNOVATION

INNOVED (INNOVATION FOR THE EDUCATION SECTOR)

InnovEd (Innovation for the Education Sector) is a project organized by the National Productivity and Competitiveness Council (NPCC) in collaboration with the Ministry of Education & Human Resources, Tertiary Education & Scientific Research, which was first launched in 2005.

The aim of InnovEd is to promote critical thinking and problem solving, creativity and innovation among students. The award ceremony of the 8th edition of InnovEd was organized on 01 July 2015 at the Octave Wiehé auditorium at Réduit.

The ceremony was graced by the Hon. Minister of Education & Human Resources, Tertiary Education & Scientific Research, Mrs Leela Devi Dookhun Luchoomun and Miss Artee Burtony, a role model for the young generation. The Mayflower College and the Keats College topped the list of InnovEd 2015 in the Lower Secondary and Upper Secondary categories with the projects "Eco-friendly seating unit" and "Integrated Laptop & Bag" respectively.

InnovEd targets students of form 1 to form 3 (Lower Secondary) and form 4 to form 6 (Upper Secondary). The purpose is to catch them young and shape their innovative mindsets. 56 projects from 52 secondary schools were exhibited and judged.

InnovEd 2015 has been conducted in three phases which consist of:

- Capacity building programme for 67 facilitators from participating secondary schools, both public and private, attended the training sessions at regional level in Mauritius and Rodrigues. These facilitators followed a two-day training programme with the objective of equipping them with tools and techniques to coach the students participating for the InnovEd project.
- Project implementation in schools whereby students, under the guidance of their facilitators worked on their respective projects in teams.
- National selection culminating in an award ceremony whereby the 56 projects from 52 secondary schools were assessed by the juries

In the Lower Secondary category besides the winner, Mayflower College with their project "Eco-friendly seating unit", the first runner up was Islamic Cultural College Pre-Vocational Department with their project "Dual Function Wheelchair" and the second runner up was Marechal College from Rodrigues with their project "Domestic Salt Maker".

In the Upper Secondary category the laureate Keats College with their project "Integrated Laptop table & Bag" was followed by two runners up; John Kennedy College with their project "Automated Irrigation System using wireless and computerised technology" and Sir Leckraz Teelock SSS with their project "Painting Aid".

All participants were rewarded and they received a certificate of participation. The winners were rewarded with cash vouchers and tokens from the Mauritius Commercial Bank (MCB) which was our official sponsor for the event.



PLUG YOUR BRAIN CREATIVITY AND INNOVATION

The objective of the course was to develop the creativity potentials of students and encourage them to think in an innovative way. The training was conducted in the month of December 2015. 82 students attended the training.

CREATIVITY AND INNOVATION

The course was conducted at community level in collaboration with the Citizen's Advice Bureaux-Rose Belle and Bois des Amourettes for children living in the south. The course was designed to help the children devise creative and innovative thinking. The training was conducted in the month of December 2015. 312 children attended the training.

ENTREPRENEURSHIP DEVELOPMENT



ENTREPRENEURSHIP DEVELOPMENT

Training Programme for Empowerment of Women in Cooperatives

NPCC in collaboration with the Ministry of Business, Enterprise and Cooperatives conducted training on Entrepreneurship for Women Entrepreneurs. Women entrepreneurs were guided to explore their current business model and the spirit behind creating value, understanding the customer segment, customer channels and customer relationships. The training was held in the month of September. 60 women were trained.

The Award of Certificates Ceremony for "Training Programme for Empowerment of Women in Cooperatives" was held at Rajiv Gandhi Science Centre on Thursday 15th October 2015. 60 women entrepreneurs from different cooperatives were awarded a certificate. The ceremony was graced by Hon Soomilduth Bholah, Minister of Business, Enterprise and Cooperatives, Dr Eric Vanhalewyn, First Secretary and Head of Section at the Delegation of the European Union, Mr. Dev Appalswamy, Officer in Charge of NPCC and other eminent personalities.

"Build Your Business"

The NPCC in collaboration with the E-Inclusion Foundation conducted an "Entrepreneurship Training-Build your Business" course, sponsored by Microsoft Indian Ocean Islands and Pacific in the month of November 2015. At the end of the course, participants were required to work in teams to present a business model along with a business plan for their future business. The target group was youngsters. 35 participants attended the training



ENTERPRISE PRODUCTIVITY PROGRAMME



ENTERPRISE PRODUCTIVITY PROGRAMME

Productivity Improvement Programme (PIP)

Productivity Improvement Programme (PIP) is in-plant consultancy solutions with practical training to continuously improve effectiveness of organisations. The Productivity Improvement Programme (PIP) covers an array of productivity and quality tools that the NPCC proposes to public and private organisations in their journey towards productivity improvement.

A few PIP undertaken during the year 2015 are as follows:

NAME OF COMPANY: Caudan Security

PROJECT: Strategic Visioning using the ZOPP and the Balanced Scorecard perspectives

Following their participation in the workshop organized by the NPCC on the theme "The Balanced Scorecard: Strategy and Execution" by Robert S. Kaplan and a presentation to their top management team, Caudan Security Services Ltd. decided to contract out to NPCC a strategic visioning exercise that will outline the strategic direction, future goals and key priorities the company will pursue to translate its vision into reality and deliver on its mandate.

After several working sessions with both the company's top and middle management, a new vision and mission statement, the values of the company, the objectives and the 2015-2017 strategies were developed. Furthermore, the 2015-2017 action plan was developed based on the four perspectives – financial, customers, internal process, people – of the balanced scorecard.

NAME OF COMPANY : ENL Corporate Services

PROJECT: Optimisation of resources and delivery of services on time

With the new challenges it was facing, ENL Corporate Services Ltd. requested the services of NPCC to embark on a productivity improvement journey in view of optimizing the company secretarial services and improving the lead time of submission of the different deliverables to the company's clients.

The different interventions resolved on training of the employees on different productivity tools and how this understanding reinforced the mindset for continual improvement and the development and implementation of productivity improvement initiatives. These improvement initiatives led to significant improvement of work processes, development of areas of expertise and good practices shared among all staff for continuity of the department, proactive attitude and team spirit, improved planning, and better understanding and relationship with their clients.





NAME OF COMPANY: Pick and Buy Ltd (Winners)

PROJECT: Store Inventory Management at Winners Roche Brunes
With the increasing competition in the retail sector, the management of Winner's requested the services of the NPCC to increase the efficiency of the different supermarkets.

The objective of the project was to implement an inventory management system in Winner's Outlets in 2016 which will result in no over stocking, no stock outs, and stores are organized, in an efficient and user friendly way.

NAME OF COMPANY: Manisa Co. Ltd

PROJECT: 5S implementation

Manisa Co Ltd is a manufacturing company of leather footwear, handbags, wallets, purses for men and women. The objective of the project was to improve the quality of its work environment and enhance the process flow. The physical environment on the shop floor was causing bottle neck in the work flow and was impacting the quality of the products. Using the 5S as a foundation, the cutting department team improved one process flow which has reduced the cycle time of a product. After the project a better engagement of workers and better teamwork were observed.

NAME OF COMPANY: Alpha Cleaning

PROJECT: 5S implementation

Alpha Cleaning requested a meeting with the National Productivity and Competitiveness Council to discuss its needs to optimise the efficiency of its human resource. During the meeting with management key problems of the company identified were: (1) scarcity of people willing to work in the sector, (2) need to continue providing quality service to existing clients, (3) need to increase efficiency of staff to be able to continue delivering quality service.

The programme was launched with a gemba walk by the supervisors as well as consultants of the NPCC around Jumbo Phoenix to identify areas of improvement and critical target areas that need to be improved. Supervisors and operators were subsequently trained on identification of the 8 wastes inherent in current operations and 5S as tool to help eliminate waste, streamline cleaning processes, and optimize efficiency. Emphasis was also placed on commitment to put safety first, organization and effectiveness at Jumbo Phoenix. to improve the layout, review their work processes and improve their visual management in view of reducing and eliminating any non-value adding activities so that their organisation becomes leaner and more productive in its journey towards operational excellence. Following the training, 5S was implemented in Jumbo Phoenix.

NAME OF COMPANY: Maurilait Ltée

PROJECT: 5S and Kaizen

Having successfully implemented quality circles in their company with convincing results, the management of Maurilait Production Ltée requested NPCC again to implement another productivity improvement tool, namely 5S, in their company.

The programme was launched by the training of the management on 5S followed by companywide sessions whereby all employees were exposed to the tool. Each department constituted its 5S team to improve the layout, review their work processes and improve their visual management in view of reducing and eliminating any non-value adding activities so that their organisation becomes leaner and more productive in its journey towards operational excellence.



NAME OF COMPANY: Neel Trading and Facilities Ltd

PROJECT: Improving after sales service

Neel trading and facilities Ltd is a branch of Neel Group, which is the leading group of manufacturer, importer, supplier and contractor of Commercial and Residential decor products in Mauritius. The company used to monitor the after sales service in the past but is now importing its own product which is Hyundai Neel water purifiers. The proposed productivity improvement programme was to motivate employees to work as a team to improve the coordination for a better customer service by bridging the gap between the sales department and after sales departments. The specific objectives of the project are to Improve after sales service and reduce customer complaints. As a result they have ameliorated process flow to reduce the waiting time and offer quality service to the client.

ENTERPRISE PRODUCTIVITY PROGRAMME

NAME OF COMPANY: Creative Sign

PROJECT: Job Card Management system

Creative sign Ltd is involved in printing and manufacturing of displays and signs. Some of the key customers are Engen, Air Mauritius, Mauritius duty free paradise, AML, Afrasia, Bank one, District and Municipal Council, Mauritius telecom, Emtel, MPI. The company is a GoSME client and has successfully implemented a 5S project in the past. This project is to facilitate information flow from the receiving point of order to delivery through a job card management system. The objective behind is to minimize defects and rework in the process and provide a quality service to customer. The project is on the implementation phase and is ongoing.

NAME OF COMPANY: L'epongerie

PROJECT: Improving Productivity and Quality

Following the successful participation in the GoSME project with the NPCC, L'Epongerie decided to stay on the path of continuous improvement by registering for the productivity improvement programme designed for SMEs. The key issues to be addressed during this program are profitability and quality improvement.

NAME OF COMPANY: Nabridas

PROJECT: Improving Productivity and Quality

Following the deployment of Lean Management across ENL group, Nabridas a subsidiary company of ENL Commercial requested the services of NPCC to address the problem of high variability of raw materials used to manufacture a pool.

The programme started with a sensitisation on the productivity concepts for all the employees working on pools. Moreover, a cross-functional team was set-up to analyse the wastes identified and the causes of these wastes. The mission of the team is to build capacity of employees, review their work processes in view of reducing the variability in raw material consumption. This will allow the company to achieve its strategic objectives, which is a better profitability.

In addition, the company wanted to improve quality by setting up a better quality system. This new quality system will consist of a formal quality control process to stop specific defects, build statistics and find more recurrent defects, decide on targets of non-conformance, analysis of causes of non-conformances, an action plan to eliminate causes of non-conformances. The action plan shall be targeted towards capacity building of employees, improvement plan of machines, review of manufacturing processes and communication with suppliers, depending on the causes identified.



**CORPORATE
SERVICES**



CORPORATE SERVICES

THE TEAM

The total number of staff as at 31st December 2015 was 26. 24 Staff were on establishment including two Driver Messenger/Office Attendants and two General/Handy Workers and one Support staff.

INTERNSHIP/ASSIGNMENT

- 3 interns served under the Service to Mauritius Programme (STM) for the period of 2015.
- One of the interns Mr Omran Ahmad resigned under the on 15th May 2015.

- The internship period of the 2 other interns namely Ms Yovanah Ramtohol and Mrs Subhuluxmi Vencatachellum serving under the Service to Mauritius Programme (STM) during the financial year came to an end on 31st December 2015.
- Mr Yantish Ramtohol, University Student served as intern from 19th December 2014 to 27th February 2015.
- Ms Geetanjali Venkataswami and Ms Bibi Azia Puttaroo, University Students, joined as interns on 09th December 2015.
- The services of Mr Chidanand Seebaluck were retained as Graphic Designer from 01st June 2015 to 31st December 2015.

The following staff joined the permanent and pensionable establishment:

NAME	POST	DATE JOINED
Jyoti Ramkissoon	Support Assistant/Receptionist	14.04.15
Neera Devi Nunkoo	General/Handy Worker	09.05.15
Marie Françoise Christel Cousinery	General/Handy Worker	02.06.15
Jyotsna Badoye	Accounts Officer	01.12.15
Annabelle Genevieve-Lebrasse	Human Resource Officer	01.12.15
Shalini Devi Panchoo	Communication Executive	01.12.15
Bilall Oozeer	Productivity Executive	01.12.15
Koyal Ramnoruth	Productivity Executive	01.12.15
Michel Lloyd Francis Thierry	Productivity Executive	01.12.15
Padmini Busgeet	Productivity Executive	01.12.15

- Ms Vreeti Reetoo resigned from her post of Productivity Executive at the NPCC on 22nd May 2015 persuade her career abroad.
- Mrs Dharmashinee Saccaram-Tengur resigned from her post of Sales and Marketing Executive at the NPCC on 03rd September 2015 to persuade her career in England.

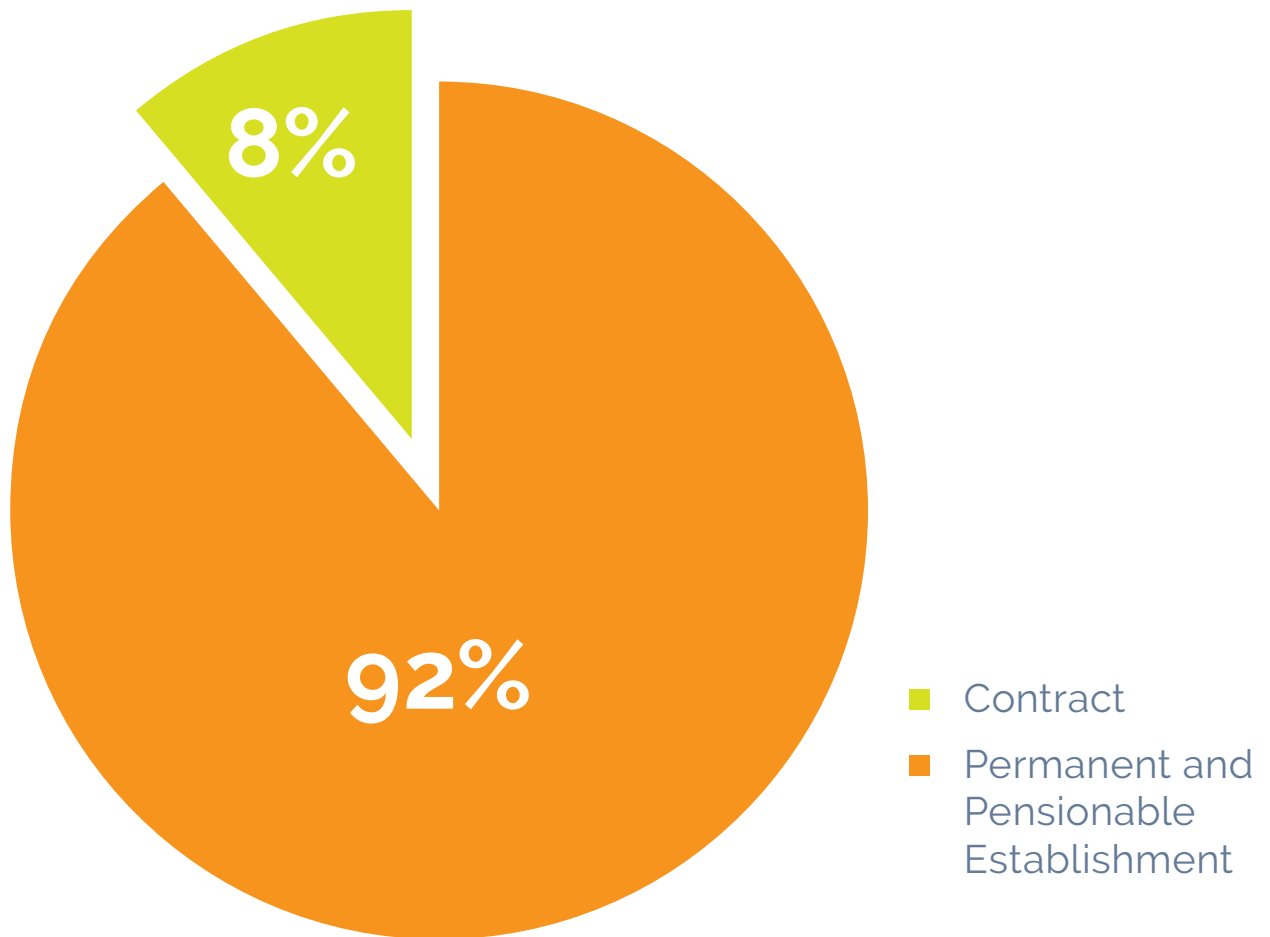
The total personnel strength at the end of the period under review was 26.

Financial Year 2015	NUMBER OF OFFICERS ON:		
	Pensionable and Permanent Establishment (PPE)	Contract	Total
	24	2	26



NPCC STAFFING

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



% of Officers on PPE and Contract

CORPORATE SERVICES

CAPACITY BUILDING

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

- Mr Jaikishen Pem, Finance and Administration Associate, attended a workshop on "Conquering Procrastination" organised by YUKI Consulting on 21st January 2015 locally.
- Mr Jean Francois Dominique Louise, Research and Knowledge Management Specialist, attended a convention on "Innovating Librarianship: Adapting to Digital Realities" from 12th to 14th March 2015 at Himachal Pradesh University and Indian Institute of Advanced Study, Shimla, Himachal Pradesh.
- Ms Lakshmi Bhugowandeen and Mrs Geereesha Devi Gowreesunkur – Gungah, Productivity Executives attended a Training Course on "Management Consultancy for Productivity Improvement" organised by the Japan Productivity Center (JPC) from 30th August 2015 to 12th September 2015.
- Mrs Daphné Marie Françoise Marechal-Charlotte, Head Research and Consultancy, Mr Bilal Oozeer, Productivity Executive, Mr Michel Lloyd Francis Thierry, Productivity Executive and Mrs Padmini Busgeet, Productivity Executive attended the Training Course on "Industrial Human Resources Development for Africa" in South Africa hosted by The Asian Productivity Organisation (APO) with the collaboration of the Pan African Productivity Association (PAPA) from 15th June 2015 to 26th June 2015.
- Mrs Daphné Marie Françoise Marechal-Charlotte, Head Research and Consultancy, attended the "Third country training on enhancement of productivity and competitiveness through TQM and Kaizen approach" organised by The Malaysian Productivity Corporation (MPC) in joint collaboration with Malaysian Technical Cooperation Programme (MTCP) and Japan International Cooperation Agency (JICA) from 02nd to 22nd September 2015.
- Mrs Vijayelaksmee Goorah, Lead Consultancy and Advocacy, Ms Hemlata Ramsohok, Lead Research and Knowledge Management and Mrs Shalini Mathaven, Lead Productivity and Competitiveness Academy attended a two day workshop organised by the Institutional Expert Services on "Leadership of High Performance Organisations (HPOs) – Leading for Sustainable Business Results" on 05th October 2015 and 06th October 2015.

**INTERNATIONAL
NETWORKING**



INTERNATIONAL NETWORKING

International Networking plays a vital role in the development and success of an organization. It is a powerful source of knowledge and new ideas as well as an opportunity to identify and promote the development of quality collaboration in productivity with international partners. International networking is a strategy of empowerment. The NPCC International Networking objective is to lay emphasis on collaborative efforts to develop, share and transfer skills and competencies required to strengthen the organization.

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

The NPCC is a member of the Pan African Productivity Association (PAPA). Mr D. Appalswamy, Officer in Charge, attended the Executive Board Meeting of The Pan African Productivity Association (PAPA) in Nairobi, Kenya from 11th to 12th March 2015.

Moreover he, attended the 7th General Assembly of PAPA on 27th June 2015 and was elected First Vice President of the Executive board of PAPA. Mr D. Appalswamy, also participated in the launching of the Namibian Productivity Movement on 09th October 2015 in Namibia. PAPA is the umbrella organization established essentially for championing the enhancement of productivity in Africa in order to leverage the competitiveness of the African continent.

NPCC is a member of Global Benchmarking Network (GBN). The GBN is a global network of organisations and experts focused on promoting and facilitating the use of benchmarking and sharing of best practices by helping one other and working together.

The NPCC is also a member of the Competitiveness Institute (TCI). TCI is the leading global network for practitioners, policy makers, researchers and business leaders working towards improving competitiveness through development of specific regions and worldwide.



The simple act of playing positive attention to people has a great deal to do with productivity

Tom Peters



REPORT
OF THE DIRECTOR OF AUDIT



REPORT ON THE FINANCIAL STATEMENTS

I have audited the financial statements of the National Productivity and Competitiveness Council which comprise the statement of financial position as at 31 December 2015, the statement of financial performance, the statement of changes in equity and the statement of cash flows 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 the International Public Sector Accounting Standards and in compliance with the requirements of the Statutory Bodies (Accounts and Audit) Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards of Supreme Audit Institutions. Those standards require that I comply with ethical requirements and 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 the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair 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 of 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Report on Other Legal and Regulatory Requirements

Management's Responsibility

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

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

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

Opinion on Compliance

Statutory Bodies (Accounts and Audit) Act

In my opinion, in all material respect, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.

Public Procurement Act

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

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



K. C. TSE YUET CHEONG (MRS)

Director of Audit

National Audit Office

Level 14,

Air Mauritius Centre

Port-Louis

5 October 2016

ACCOUNTS



Statement of Financial Position as at 31 December 2015

	NOTES	December 31 2015	December 31 2014
ASSETS			
Current assets			
		Rs	Rs
Cash and Cash Equivalents		10,243,196	8,451,345
Trade and Other Receivables	5	5,024,790	5,620,544
Total current assets		<u>15,267,986</u>	<u>14,071,889</u>
Non-current assets			
Retirement Benefits Assets	17	1,502,097	1,641,765
Property, Plant and Equipment	6	4,099,561	4,306,574
Total non-current assets		<u>5,601,658</u>	<u>5,948,339</u>
Total assets		<u>20,869,644</u>	<u>20,020,228</u>
LIABILITIES			
Current liabilities			
Trade and Other Payables	7	1,572,719	3,766,964
Short Term Employee Benefits	8	1,932,571	1,239,136
Total current liabilities		<u>3,505,290</u>	<u>5,006,100</u>
Non Current liabilities			
Long Term Employee Benefits	9	9,522,221	8,389,170
Total liabilities		<u>13,027,511</u>	<u>13,395,270</u>
Net Assets		<u>7,842,133</u>	<u>6,624,958</u>
EQUITY			
General Fund	10	<u>7,842,133</u>	<u>6,624,958</u>

The Notes to the Accounts from pages 61 to 71 form part of the Financial Statements.



Mr S. Mulloo
Chairman



Mr D. Towokul
Vice Chairman

Statement of financial performance for the fiscal year ended 31 December 2015

	NOTES	December 31 2015	December 31 2014
		Rs	Rs
Revenue			
Income	11	7,680,926	10,685,271
Government Grant	12	35,800,000	50,804,678
Other Income	13	355,511	837,666
Total Revenue		43,836,437	62,327,615
Expenses			
Staff costs	14	25,901,420	26,455,113
Administrative costs	15	7,250,832	9,801,439
Other expenses	16	8,796,532	26,611,167
Depreciation	6	670,478	622,794
Total Expenses		42,619,262	63,490,513
Surplus / (Deficit) for the year		1,217,175	(1,162,898)

Statement of changes in equity for the fiscal year ended 31 December 2015

	CAPITAL GRANT	RESERVES	TOTAL
As at 1 January 2014	384,390	7,403,466	7,787,856
Transfer of Capital Grant to Reserves	(384,390)	384,390	-
Deficit for the year		(1,162,898)	(1,162,898)
As at 31 December 2014	-	6,624,958	6,624,958
Surplus for the year		1,217,175	1,217,175
As at 31 December 2015	-	7,842,133	7,842,133

Statement of cash flows

for the fiscal year ended 31 December 2015

	December 31 2015 Rs	December 31 2014 Rs
A. Cash flow from operating activities		
(Deficit) / Surplus for the year	1,217,175	(1,162,898)
Adjustments for non-cash movements		
Depreciation	670,478	622,794
Prior year unamortised capital grant	-	29,595
Retirement Benefits Assets	139,668	(765,094)
Operating Surplus before working capital changes	2,027,321	(1,275,603)
(Increase) / Decrease in Receivables	1,709,766	9,866,872
Increase / (Decrease) in Payables	(1,481,772)	(3,844,341)
Net cash flow from operating activities	2,255,315	4,746,928
B. Investing activities		
Purchase of Property, plant and equipment	(463,464)	(4,574,573)
Increase / (Decrease) in cash and cash equivalents	1,791,851	172,355
Cash and cash equivalents at the beginning of the year	8,451,345	8,278,990
Cash and cash equivalents at the end of the year	10,243,196	8,451,345

Statement of comparison of budget and actual amount for the fiscal year ended 31 December 2015

Details	Budget Rs	Financial Statements Rs
Salaries and Allowances	28,053,000	21,096,583
Travelling & Transport	2,999,000	2,085,539
Overtime	100,000	78,361
Staff Welfare	90,000	89,601
Contribution to the N.S.F.	125,000	128,183
Cost of Utilities	695,000	574,893
Fuel & Oil - Vehicles	150,000	90,735
Rental of Building	4,081,000	4,081,296
Office Equipment	250,000	73,648
Office Furniture	100,000	187,911
Office Expenses	386,000	275,292
Maintenance	255,000	168,435
Cleaning Services	104,000	25,962
Publications and Stationery	500,000	265,957
Overseas Travel	500,000	148,507
Fees	3,040,000	1,087,691
Pensions	1,216,000	1,400,393
Gratuities	1,084,000	1,022,761
Insurance - Vehicles	100,000	38,490
Insurance - Equipment & Staff	420,000	493,573
Acquisition of Non-Financial Assets	3,800,000	201,906
Training and Consultancy	500,000	779,302
Promotion, Communication & Sensitisation	100,000	138,885
Productivity Committee	200,000	-
Knowledge centre	125,000	90,931
International Networking	150,000	124,906
Sub total	49,123,000	34,749,741
Projects funded by National Resilience Fund		
Productivity Award	5,000,000	-
Innovation	400,000	381,594
Productivity Improvement for SME's	200,000	-
International Speaker	2,000,000	7,280,914
Balanced Scorecard	8,500,000	-
National Productivity Campaign	5,000,000	-
Other Projects	5,750,000	-
Total	75,973,000	42,412,249

Statement showing variances between budget and actual expenditures for the fiscal year ended 31 December 2015

Details	Budget Rs	Financial Statements Rs	Variation Rs	Comments
Salaries and Allowances	28,053,000	21,096,583	6,956,417	Provision made for recruitment of new staff. No recruitment made in 2015, given that Council was reconstituted in Nov 2015.
Travelling & Transport	2,999,000	2,085,539	913,461	Same as above
Overtime	100,000	78,361	21,639	
Staff Welfare	90,000	89,601	399	
Contribution to the N.S.F.	125,000	128,183	(3,183)	
Cost of Utilities	695,000	574,893	120,107	NPCC move office in Oct 2014. Estimates made for new premises.
Fuel & Oil - Vehicles	150,000	90,735	59,265	
Rental of Building	4,081,000	4,081,296	(296)	
Office Equipment	250,000	73,648	176,352	Provision for replacement of Photocopy machine purchased in 2006. Machine not replaced as same was still functioning.
Office Furniture	100,000	187,911	(87,911)	
Office Expenses	386,000	275,292	110,708	Expenditure in respect of meetings / committees lower than budgeted as Council was reconstituted in Nov 2015.
Maintenance	255,000	168,435	86,566	
Cleaning Services	104,000	25,962	78,038	
Publications and Stationery	500,000	265,957	234,043	Publication of Competitiveness Report postponed to 2016
Overseas Travel	500,000	148,507	351,493	Expenditure not materialised.
Fees	3,040,000	1,087,691	1,952,309	New Council reconstituted in Oct 2015.
Pensions	1,216,000	1,400,393	(184,393)	Adjustment in retirement benefit asset - Note 17
Gratuities	1,084,000	1,022,761	61,239	
Insurance - Vehicles	100,000	38,490	61,510	
Insurance - Equipment & Staff	420,000	493,573	(73,573)	Increase in insurance in respect of new assets purchased.
Acquisition of Non-Financial Assets	3,800,000	201,906	3,598,094	Provision for acquisition of new vehicles - not acquired in 2015
Training and Consultancy	500,000	779,302	(279,302)	Expenditure in respect of training by International Consultant and financed by revenue generated.
Promotion, Communication & Sensitisation	100,000	138,885	(38,885)	
Productivity Committee	200,000	-	200,000	No payment effected to working group on Leadership
Knowledge centre	125,000	90,931	34,069	
International Networking	150,000	124,906	25,094	
Sub total	49,123,000	34,749,741		
Projects funded by National Resilience				
Fund				
Productivity Award	5,000,000	-	5,000,000	No budget allocated
Innovation	400,000	381,594	18,406	
Productivity Improvement for SME's	200,000	-	200,000	No budget allocated
International Speaker	2,000,000	7,280,914	(5,280,914)	Financed by sales of tickets
Balanced Scorecard	8,500,000	-	8,500,000	No budget allocated
National Productivity Campaign	5,000,000	-	5,000,000	No budget allocated
Other Projects	5,750,000	-	5,750,000	No budget allocated
Total	75,973,000	42,412,249		

Notes for the year ended 31 December 2015

1. GENERAL INFORMATION

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

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

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

2. BASIS OF PREPARATION

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

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

Going Concern

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

Estimates and Assumptions

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

Accounting Judgements and Key Sources of Estimation Uncertainty

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

Standards issued but not yet effective

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

Currently there are no IPSAS issued which are not yet effective.

Notes for the year ended 31 December 2015 (continued)

3. Measurement Base

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

4. Accounting Policies

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

(a) Revenue Recognition

Income

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

Government Grant

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

(b) Trade and Other Receivables

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

(c) Leased assets

NPCC does not have any finance leases.

(d) Foreign currency transactions

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

(e) Employee Entitlements

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

Defined Benefits Pension Plan

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

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

The defined benefit pension plan for the Council is based on the report submitted by SICOM Ltd, as at 31 December 2015 "see note 17".

Notes for the year ended 31 December 2015 (continued)

(f) Property, Plant and equipment (PPE)

Recognition and measurement

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

Depreciation

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

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

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

(g) Statement of Cash Flows

The Cash Flow Statement is prepared using the indirect method.

(h) Operating Lease Obligations

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

NPCC entered into a three year operating lease with Laser Informatics Ltd, for office space at Catalyst Building, Ebene in October 2014. Operating lease payments for the year ended 31st December 2015 were Rs 4,081,296. (year ended December 2014: Rs 4,385,960). The monthly rental is presently Rs 340,108.

(i) Risk Management Policies

Financial risks

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

Credit risk

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

Interest rate risk

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

Liquidity risk

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

(j) Employee Disclosure

As at December 31, 2015, NPCC had 26 full-time employees, 2 employees under Service to Mauritius Programme and 1 trainee.

(k) Key Management Personnel

NPCC is governed by a management with key personnel that, at 31st December 2015, included two Heads of Division who are responsible for operating the various activities of the organisation. The aggregate remunerations of key management personnel was Rs 2,977,691 for the period 1st January to 31st December 2015, which are all short term benefits.

Notes for the year ended 31 December 2015 (continued)

(l) Related Parties

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

(m) Trade Payables

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

5. TRADE AND OTHER RECEIVABLES

	31 December 2015	31 December 2014
	Rs	Rs
Debtors	387,900	436,513
Prepayments	292,315	189,519
Deposits	1,071,324	1,103,324
International speakers - advance payment	-	1,731,950
Advances - Car loan granted by government to Staff	3,273,251	2,159,238
	<u>5,024,790</u>	<u>5,620,544</u>

Notes for the year ended 31 December 2015 (continued)

6. PROPERTY, PLANT AND EQUIPMENT

	Furniture Fixtures & Fittings Rs	Office Equipment Rs	IT Equipment Rs	Motor Vehicles Rs	Total Rs
COST					
At 1 Jan 2015	4,312,644	1,246,376	4,170,473	747,300	10,476,793
Additions	187,911	73,648	201,906	-	463,465
Written off		(428,995)	(2,527,073)		(2,956,068)
At 31 December 2015	4,500,555	891,029	1,845,306	747,300	7,984,190
DEPRECIATION					
At 1 Jan 2015	431,264	1,140,671	3,850,984	747,300	6,170,219
Charge for the year	450,055	35,506	184,917	-	670,478
Written off		(428,995)	(2,527,073)		(2,956,068)
At 31 December 2015	881,319	747,182	1,508,828	747,300	3,884,629
NET BOOK VALUES					
At 31 December 2015	3,619,236	143,847	336,478	-	4,099,561
At 31 December 2014	3,881,380	105,705	319,490	-	4,306,575

Notes for the year ended 31 December 2015 (continued)

7. TRADE & OTHER PAYABLES

	31 December 2015	31 December 2014
	Rs	Rs
Trade payables	788,088	1,029,702
National resilience Fund - Int'l Speakers	-	2,000,000
Other payables and accruals	784,631	737,262
	<u>1,572,719</u>	<u>3,766,964</u>

8. SHORT TERM EMPLOYEE BENEFITS

Provision for leaves refund - 'see note 9(b)'	488,116	398,993
Provision for Passage benefits - 'see note 9(c)'	669,000	475,000
Short Term Car Loan - 'see note 9 (a)'	775,455	365,143
	<u>1,932,571</u>	<u>1,239,136</u>

9. LONG TERM EMPLOYEE BENEFITS

Long Term Car Loan - 'see note 9 (a)'	2,497,796	1,794,095
Provision for Leaves refund - 'see note 9(b)'	6,811,334	6,384,461
Provision for Passage Benefits - 'see note 9(c)'	213,091	210,614
	<u>9,522,221</u>	<u>8,389,170</u>

Notes for the year ended 31 December 2015 (continued)

9. (a) Car loan - refundable by staff

	31 December 2015	31 December 2014
	Rs	Rs
Amount due	3,273,251	2,159,238
Deduct : Amount falling due within one year	(775,455)	(365,143)
Amount falling due after more than one year	<u>2,497,796</u>	<u>1,794,095</u>

9. (b) Provision for Leaves refund

At start of the year	6,783,454	5,877,612
Provision for the year	<u>515,996</u>	<u>905,842</u>
At end of the year	<u>7,299,450</u>	<u>6,783,454</u>
Deduct : Amount falling due within one year	<u>488,116</u>	<u>398,993</u>
Amount falling due after more than one year	<u>6,811,334</u>	<u>6,384,461</u>

9. (c) Provision for Passage Benefits

At start of the year	685,614	569,257
Payments during the year	(255,996)	(295,888)
Provision for the year	<u>452,475</u>	<u>412,245</u>
At end of the year	<u>882,091</u>	<u>685,614</u>
Deduct : Amount falling due within one year	<u>669,000</u>	<u>475,000</u>
Amount falling due after more than one year	<u>213,091</u>	<u>210,614</u>

Notes for the year ended 31 December 2015 (continued)

10. GENERAL FUND

	31 December 2015	31 December 2014
	Rs	Rs
Balance at start of year	6,624,958	7,787,856
Surplus / (Deficit) for the year	1,217,175	(1,162,898)
Balance at close of year	<u>7,842,133</u>	<u>6,624,958</u>

11. INCOME

Productivity Academy - International Speakers	3,819,600	9,712,221
- Other training	3,376,426	594,050
Productivity Improvement Programme	484,900	379,000
	<u>7,680,926</u>	<u>10,685,271</u>

12. GOVERNMENT GRANT

Grant Received	33,800,000	35,618,688
National Resilience Fund	2,000,000	15,185,990
	<u>35,800,000</u>	<u>50,804,678</u>

13. OTHER INCOME

Interest received	84,190	273,700
Rental of conference room	18,075	58,000
Miscellaneous income	253,246	505,966
	<u>355,511</u>	<u>837,666</u>

Notes for the year ended 31 December 2015 (continued)

14. STAFF COSTS

	31 December 2015	31 December 2014
	Rs	Rs
Salaries and allowances	21,096,583	22,821,281
Travelling & Transport	2,085,539	2,017,342
Overtime	78,361	87,282
Staff Welfare	89,601	37,372
Contribution to the N.S.F.	128,183	111,994
Pension	1,208,228	176,545
Family Protection Scheme	192,165	171,644
Gratuities	1,022,761	1,031,653
	<u>25,901,420</u>	<u>26,455,113</u>

15. ADMINISTRATIVE COSTS

Cost of utilities	574,893	628,356
Fuel & oil - vehicles	90,735	106,448
Rental of building	4,081,296	4,385,960
Office expenses	275,292	346,318
Maintenance	168,435	392,893
Cleaning services	25,962	92,000
Publications and stationery	265,957	224,393
Overseas	148,507	176,414
Fees	1,087,691	2,977,980
Insurance - vehicles	38,490	40,967
Insurance - staff & equipment	493,573	429,710
	<u>7,250,832</u>	<u>9,801,439</u>

16. OTHER EXPENSES

Training and consultancy	779,302	523,436
Promotion, communication and sensitisation	138,885	4,328,860
Knowledge centre	90,931	117,197
International networking	124,906	123,746
Productivity Improvement for SME's	-	1,511,675
Innovation	381,594	314,272
International Speaker	7,280,914	19,691,981
	<u>8,796,532</u>	<u>26,611,167</u>

Notes for the year ended 31 December 2015 (continued)

17. RETIREMENT BENEFIT OBLIGATIONS

	Year ending 31 December 2015	Year ending 31 December 2014
Amounts recognised in statement of financial position at end of the year:	Rs	Rs
Present value of funded obligation	17,899,208	14,592,961
(Fair value of plan assets)	<u>(12,926,830)</u>	<u>(11,459,917)</u>
	4,972,378	3,133,044
Present value of unfunded obligation	-	-
Unrecognised actuarial gain/(loss)	<u>(6,474,475)</u>	<u>(4,774,809)</u>
Liability recognised in statement of financial position at end of year	<u>(1,502,097)</u>	<u>(1,641,765)</u>
Amounts recognised in statement of financial performance:		
Current service cost	1,146,411	1,000,553
Employee Contributions	(493,575)	(632,046)
Fund expenses	68,897	34,697
Interest cost	1,094,472	794,704
(Expected return on plan assets)	(909,024)	(804,451)
Actuarial loss/(gain) recognised	165,776	29,377
Past service cost recognised	-	-
Total, included in staff costs	<u>1,072,957</u>	<u>422,834</u>
Movements in liability recognised in statement of financial position:		
At start of year	(1,641,765)	(876,671)
Total staff cost as above	1,072,957	422,834
(Actuarial reserves transferred in)	(69,533)	(85,132)
(Contributions paid by employer)	(863,756)	(1,102,796)
At end of year	<u>(1,502,097)</u>	<u>(1,641,765)</u>
Actual return on plan assets:	146,879	548,819
Main actuarial assumptions at end of year:		
Discount rate	7.50%	8.00%
Expected rate of return on plan assets	7.50%	8.00%
Future salary increases	5.00%	5.50%
Future pension increases	3.00%	3.50%

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

Notes for the year ended 31 December 2015 (continued)

17. RETIREMENT BENEFIT OBLIGATIONS (Continued)

	Year ending 31 December 2015	Year ending 31 December 2014
Reconciliation of the present value of defined benefit obligation	Rs	Rs
Present value of obligation at start of period	14,592,961	9,933,804
Current service cost	1,146,411	1,000,553
Interest cost	1,094,472	794,704
(Benefits paid)	(37,163)	(74,365)
Liability (gain)/loss	1,102,527	2,938,265
Present value of obligation at end of period	<u>17,899,208</u>	<u>14,592,961</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	11,459,917	9,200,187
Expected return on plan assets	909,024	804,451
Employer contributions	863,756	1,102,796
Employee contributions	493,575	632,046
Actuarial reserves transferred in	69,533	85,132
(Benefits paid + other outgo)	(106,060)	(109,062)
Asset gain/(loss)	(762,915)	(255,633)
Fair value of plan assets at end of period	<u>12,926,830</u>	<u>11,459,917</u>
Distribution of plan assets at end of period		
Percentage of assets at end of year	2015	2014
Government securities and cash	58.1%	57.1%
Loans	4.3%	4.1%
Local equities	15.9%	21.1%
Overseas bonds and equities	21.0%	17.0%
Property	0.7%	0.7%
Total	<u>100%</u>	<u>100%</u>
Additional disclosure on assets issued or used by the reporting entity	2015	2014
Percentage of assets at end of year	(%)	(%)
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0
History of obligations, assets and experience adjustments		
Year	2015	2014
Currency	Rs	Rs
Fair value of plan assets	12,926,830	11,459,917
(Present value of defined benefit obligation)	(17,899,208)	(14,592,961)
Surplus/(deficit)	(4,972,378)	(3,133,044)
Asset experience gain/(loss) during the period	(762,915)	(255,633)
Liability experience gain/(loss) during the period	(1,102,527)	(2,938,265)
Year	2016	
Expected employer contributions	989,932	



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