

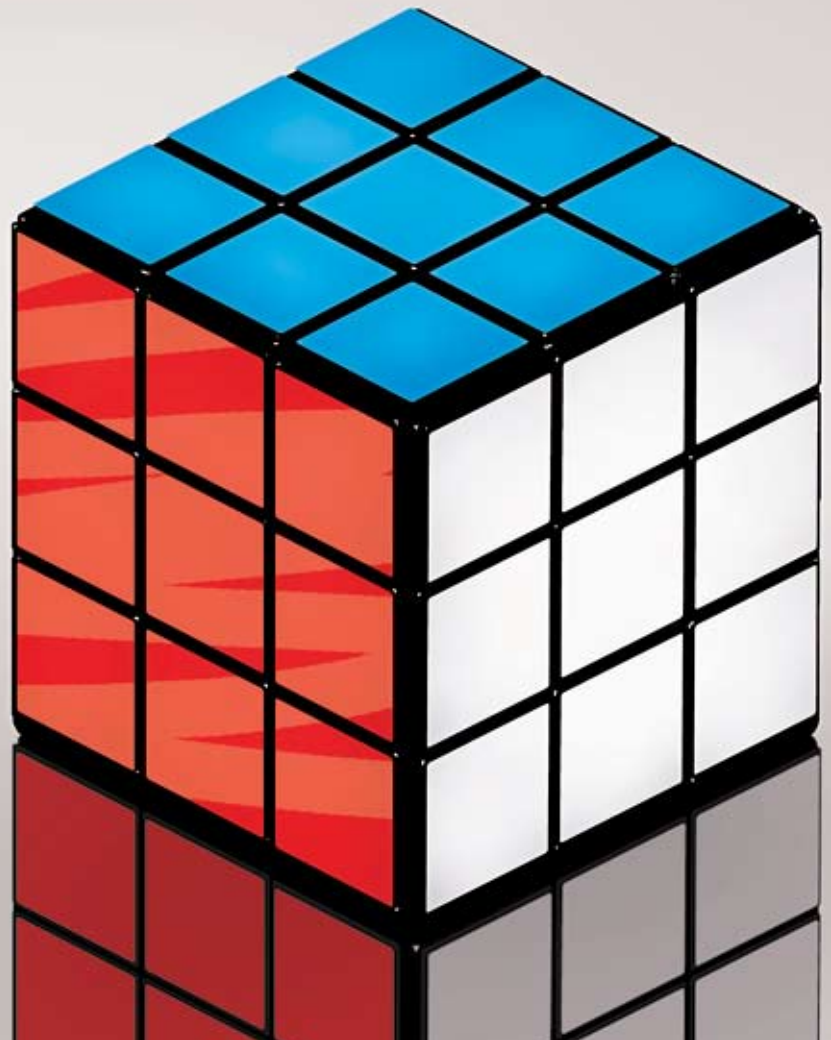


Annual Report

2008 / 2009



KAIZEN
Changing for the better



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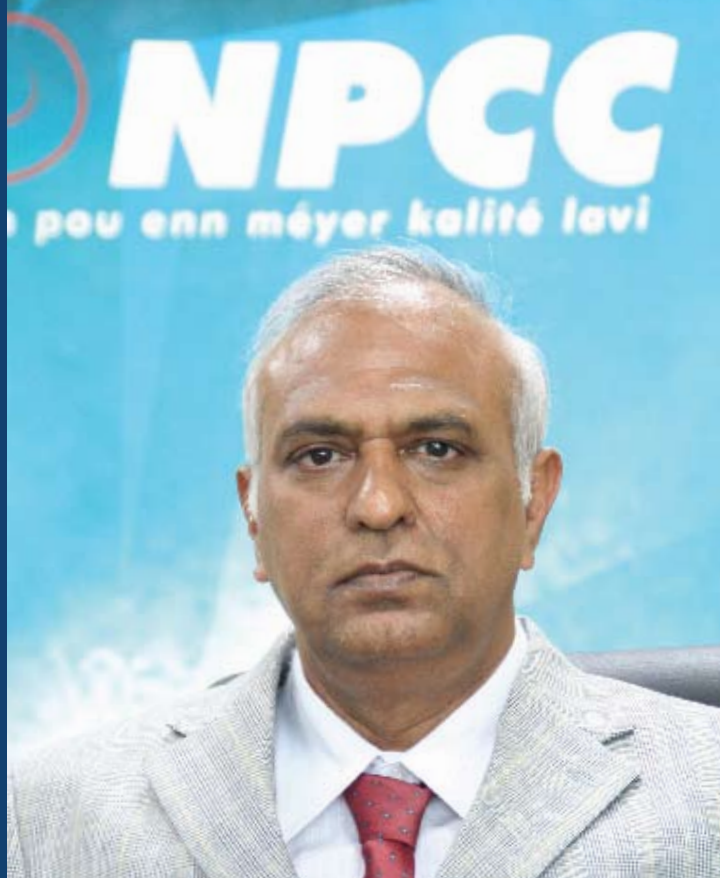
FUNCTIONS OF THE COUNCIL (NPCC)

The council shall:

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



LETTER FROM THE CHAIRMAN



LETTER FROM THE CHAIRMAN

Honourable V. Bunwaree
Minister of Education, Culture and Human Resources

Sir,

In accordance with paragraph 18 of the National Productivity and Competitiveness Council (NPCC) Act 1999, I have the honour to submit to you the annual report of the NPCC, which covers the period July 2008- June 2009.

Yours Faithfully,

A stylized, handwritten signature in black ink, appearing to read 'G. Gunesh'.

G. GUNESH
Chairman

PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR

PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR

In order to make Mauritius a productive nation, the National Productivity and Competitiveness Council (NPCC), operational since May 2000, has set a vision, to make better living for the nation.

Its core objective is to develop a strong productivity culture, which implies a fundamental change in mindset for Mauritius, to anticipate change, and manage it proactively before it becomes inevitable. Thus, during its first years of existence, the NPCC has been laying the foundation for competitiveness through its national Muda-free Mauritius campaign, targeting both civil society and the corporate sector, with the message that productivity should be at the centre of each Mauritian concerned and that it is everybody's business.

Mauritius is in a phase of transition, a process of structural change that is resulting from economic, social, technological, institutional and environmental developments. Obviously structured and managed collaboration' can help us absorb the 'small shocks' and ride on the 'huge waves' of transition and further enhance the development of a productivity culture.

"In a country like Mauritius, it is not possible to change strategy and psychology without productive partnership between government, businesses, workers and the representatives of the civil society. Mauritius is small enough a country where really productive partnerships can be established", said Percy Mistry during the follow-up workshop on the Competitiveness Foresight, in November 2005. "In a small country like Mauritius, there isn't much you can achieve if you do not work together", stated Prof. Akira Goshi, from Japan Productivity Centre for Socio-Economic Development, during the Conference on Learning from Japan's Productivity Movement, in September 2006.

Throughout the years, the NPCC has played the role of a think tank, awakener and synergiser to achieve its goal. The NPCC has adopted a mission, to make Mauritius work. Together. Mauritius being a small country, establishing productive partnerships between government, businesses, workers, organisations and society is the best strategy, to achieve the stated mission.

PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR (continued)

In this spirit, the NPCC is reinforcing its approach from a philosophical standpoint, focusing on sensitizing people on the concepts, to a technical approach, focusing on sensitization, capacity building and implementation of pilot cases, with productivity improvement tools and techniques, for showcasing and replication. Programmes are initiated through partnerships and consensus on future directions, which are also the pre-requisites for achieving the desired results. These partners include Ministries, private sector institutions, academia, trade unions, international expertise, international support organisations and civil society. During the year 2008-2009, the NPCC laid lots of emphasis on sustainable development through Green Productivity, empowerment of citizens at the grassroot level, through lifelong learning, productivity improvement interventions in companies, and labour-management cooperation.

Mauritius was dependent on sugar for 98 per cent of its exports earning at independence in 1968. It successfully adopted an export-oriented industrial policy based on export processing zones (EPZs) and tourism, harnessing the European Union's (EU) commodity protocols and the Multi-Fibre Agreement (MFA) to maximise earnings from the export of raw sugar and textile apparel respectively. However, new threats appeared with 'globalisation' in the 1990's. The new millennium called for a new economic trajectory. Thus, in 2004, a competitiveness foresight exercise, carried out, by the NPCC concluded that Mauritius had to diversify into a wider range of services and that a new paradigm has to be adopted to look beyond trade preferences. As mentioned by the Commonwealth Secretariat in its "The export of tradeable services in Mauritius – a Commonwealth case study in economic transformation," the government has embarked in this new economic trajectory since its budget speech of 2006 and also approached the Commonwealth Secretariat to get their assistance in the elaboration of a roadmap for the exports of professional services from Mauritius. This roadmap engaged key actors from Mauritius – both government and the business sector at policy levels- and abroad – including firms that had established a strong global presence in key markets for a variety of globally traded services.

Recognising that Mauritius is on the threshold of unsustainable development, the NPCC gave priority to "Green Productivity for sustainable development." In 2007-2008, with the partnership of Environmental Management Centre (India) and University of Mauritius, the NPCC developed a green productivity programme targeting key sectors viz. business enterprises, schools and community, developed GP tools for the different target groups and implemented pilot cases to test these tools. In 2008-2009, the focus was on mass sensitization through the Innovators

Mauritius Award III (*Eco-living – pour une île Maurice durable – Everybody can make a difference*) and project replication. One of them is the Green School Programme in partnership with the Ministry of Education and the Ministry of Environment where 108 facilitators have been trained and 75 secondary schools are participating in the programme. It should be noted that the Government sent the same message in the 2008-2009 budget speech by setting up the Maurice Ile Durable as a core pillar of its strategy for sustainable development.

At Corporate level, the NPCC worked with AHRIM to conduct a GP survey of 6 hotels to identify potential carbon emissions reductions and with the Ministry of Industry, Science and Technology to survey the technical needs of 25 textile and apparel enterprises for the Greener and More Sustainable Industry programme. To reinforce its approach for the corporate sector, the NPCC developed a project for setting a dedicated cell that would provide technical support to enterprises for implementing GP. The project was submitted to the Agence Française de Développement, the MID Fund and the UNDP. The organization is currently selected as one of the potential candidates for hosting the Joint UNIDO-UNEP Programme on Promoting Resource Efficient and Cleaner Production in Developing and Transition Countries. In collaboration with University of Mauritius, the NPCC has developed a feasibility plan for the development of a Central Compost Development Facility (CCDF) for Mauritius, which has been submitted to the Ministry of Agro Industry for necessary action at their end.



PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR (continued)

Lifelong Learning – or Learning for Development is a new concept whereby it needs to be emphasized that 80% of self strategic learning for development happens through a self learning mode. This approach is being explored in the field of agriculture at the level of small farmers on the Belle Mare coast. The reason is that this is a category of small businesses that will not withstand the effect of globalisation unless a new growth pathway is paved through a knowledge empowerment process so that they are able to operate as clusters to move to high-end markets, implying a shift to production of higher value agricultural produce with necessary networking with banks and other agencies offering credit facilities and support institutions. Linkages with high-end markets will require a change in the mindset and in the ways farmers have traditionally been operating. This approach has been developed by The Commonwealth of Learning (COL), which is an intergovernmental organisation created by Commonwealth Heads of Government to encourage the development and sharing of open learning/distance education, knowledge, resources and technologies.

Since April 2007, the COL has partnered with the National Productivity and Competitiveness Council (NPCC) to evolve, on a pilot basis, perspectives for L3 in Mauritius for small scale vegetable growers, starting in a particular region in the east. The NPCC is facilitating to identify their learning needs and the support of knowledge institutions –viz AREU, banks, Ministry of Cooperatives – are being solicited to develop open and distance learning (ODL) materials to cater for their needs. Two ODL materials have been developed on greenhouse production of high value-added products and greenhouse construction and management (which will help farmers to move to higher value-added products identified with hotels) in collaboration with AREU and the banks are preparing 2 ODL materials on credit management for small businesses and on its side AREU is preparing a touch screen on crop management.

PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR (continued)

Women represent a major partner in the productivity movement. “Women at the heart of community development – A Grassroot’s Empowerment Programme” was the culmination of the collaboration between the NPCC and the Ministry of Women’s rights, Child Welfare and Family protection, and its Participatory Advisory Committees (PACs). This collaboration tried to explore how women could be empowered not only to identify, but also to address the emerging needs of the community through a grassroots’ participatory approach so as to improve the quality of life of the community. The Action Plan of the Participatory Advisory Committees, the mechanism which the Ministry has put in place, whereby women link up with the Community, was launched by the Hon Prime Minister, Dr Navinchandra Ramgoolam, on the 8th March 2009. There are presently 15 Participatory Advisory Committees (PACs)-14 in Women Centres and 1 in Pont Lardier Empowerment Centre. They are encouraging the highest possible level of participation and interaction among the community and secure the trust and confidence of people, and continue to be well-informed about community concerns. The PACs have 7 axes for development, viz. economic development, sports, education and training, environment, social, legal and health. The Ministry of Women’s Rights is currently developing an ODL material on support services to develop women entrepreneurship to enhance economic development.

The closure of numerous firms in the past few years is an indication that a significant number of enterprises have not been able to face the first shock wave of operating in a liberalised international economic environment. Many enterprises that have survived this predictable course of event are not necessarily in perfect health capable of facing increasing demand for competitiveness in the international market, or even compete at par with foreign products in our own back-yard. The NPCC has been promoting 2 tools for enterprise to review their management practices and processes, identify productivity performance gaps, quantify them, understand why they exist, identify what to do to improve and measure the impact of improvement programmes and eventually become better than their competitors. One tool provides a qualitative diagnosis of enterprise capabilities and the other one is for economic productivity measurement. The latter has been used to assess 55 textile and garment enterprises under the Textile Emergency Support Team (TEST). Since 2009, The Ministry of Industry has adopted the economic productivity assessment for the pre-selection exercise of the “Mauritius Business Excellence Award” which aims at motivating Mauritian businesses to continuously improve ways of doing business. 16 Enterprises were assessed for the first edition of Mauritius Excellence Award (2008) and 50 enterprises assessed for the second edition (2009).

PERFORMANCE REPORT FROM THE EXECUTIVE DIRECTOR (continued)

Becoming world class would demand process improvement, through constant elimination of Muda (non-value adding activities), Mura (inconsistencies) and Muri (strain experienced by people and equipments) from within the operations of an organization. Under its agenda of corporate productivity improvement, the NPCC, with the collaboration of the Japan Productivity Center, implemented the Model Company project to develop success stories (model companies) of enterprise productivity improvement using 5S and kaizen. In 2008-2009, the first phase was implemented and 5 companies were targeted: FAIL processing plant, Mauritius Post Ltd, La Laiterie de Curepipe, Precigraph Ltee and CIM Finance. In February 2009, a workshop was organized to provide a platform for the 5 participating companies to showcase their results and a round-table discussion was organized with relevant stakeholders from Government, private sector, trade unions and model companies to discuss the way forward. The second phase started in June 2009 with 3 companies. This project had the additional objective to reinforce the NPCC consultancy capabilities in enterprise productivity improvement interventions.

Through its in-plant interventions, labour management relationship is a core focal area for reinforcing productivity improvement initiatives. Thus, high quality industrial relations can make a significant contribution to economic performance from company to the economy as a whole. Cooperation between employers and trade unions can help to create the right conditions for strong growth. The cooperation between labour and management would ensure organizational top management commitment and involvement of employees. Labour and management are social partners sharing common interest in the success and growth of the enterprise. In that context, the NPCC organized two workshops, one with representatives of employers and the second one with representatives of employees / unions. The objective was to provide a platform for employers/managers and trade unions/ trade union federations / worker representatives to discuss the potential to improve labour-management relations in a perspective of survival and growth of Mauritian enterprises and meeting the challenges of today's economy. During the 2 workshops, the stakeholders reflected on how to improve their roles in addressing issues such as enhancing mutual understanding, promotion of a culture of consultation, two-way communication and trust, common commitment to the enterprise's growth and the management style required to meet the current and future economic challenges.

The NPCC also explored new ideas and new tools for interventions at corporate level. One of them was facilitation of strategic plan development, implementation of balanced scorecard to operationalise the strategic plan where business objectives are cascaded to departmental objectives and survey to gauge the readiness of an organization to cope with future challenges. The State Informatics Ltd volunteered to be a test bed for this type of intervention and the results are being monitored.

At the level of international networking, the NPCC has played an active role in the Pan African Productivity Association (PAPA) to motivate the sharing of the productivity experiences, knowledge and tools from Asian countries through the Asian Productivity Organisation (APO), capacity building of National Productivity Organisations (NPOs) the SADC region and extending the productivity improvement campaign outside SADC to the whole of Africa through the African Union. The NPCC has benefited strongly from the support of the Japanese Productivity Centre Cooperation (JPC) in the implementation of the model company project and promoting this project to the government for improving productivity at enterprise level, which in turn will assist the promotion of the economic growth of Mauritius.



Dr Krishnalal COONJAN
Executive Director

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 30TH JUNE 2009

The National Productivity and Competitiveness Council was established as a corporate body as per the NPCC Act no 9 of 1999.

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 international competitiveness and raise national output with a view to achieving sustained economic growth. It performs its functions as laid out in the Act.

Compliances and Enforcement

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

CORPORATE GOVERNANCE (continued)

Board and Directors

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

The Council consists of 20 members and are non-Executive and independent of the NPCC. Members collectively represent the interests of the Government, the employers, the trade unions and industry associations, consumer organizations, professionals & academia.

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

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

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

Operations of the Board

Meetings of both the Council and the Executive Committee are scheduled in advance and papers are circulated before meetings.

In order to ensure a link between management and the Council, the NPCC Act provides for the Executive Director to act as the Secretary of the Council and the Executive Committee and, in that capacity, attend all meetings of the Council and the Executive Committee.

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

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

Statement of Attendance at Council/Executive Committee meetings

N° of Council meetings held: 4	N° of Meetings Attended
Mr Avinash RAMTOHUL, Chairperson	4/4
Vice-Chairperson (Vacant since August 2007)	Nil
Members representing the interests of the Government	
Mr Swaminathan RAGEN (up to January 2009)	2/3
Mr Grish GUNESH (Since February 2009)	1/1
Mr A K HOOLASS	4/4
Mr Ramjit IMRIT	0
Members representing the interests of the Employers	
Mr Jose Poncini (resigned with effect from February 2009)	1/4
Mr Mukesh GOPAL	4/4
Dr Azad JEETUN	3/4
Members representing the Trade Unions	
Mr B C KURREEMAN	4/4
Mr Radhakrishna SADIEN, MSK	4/4
Mr Yusuf SOOKLALL	3/4
Members drawn from Industry Associations, Consumer Organisations Professionals and Academia	
Mr Suresh Chandra BHURUTH	3/4
Mr Roland DUBOIS	3/4
Mr Jay Komarduth HURRY	4/4
Mr Sanjay G MUNGUR	0
Mr Govindasami PILLAY	4/4
Mrs J P Selvam POONOOSAMY MADOORAPEN	1/4
Mr Vivek Gupta RAMNARAIN	3/4
Mr Vijay SOOKAREE	4/4
Mrs Arielle FRANCOIS NICOLAS	0

N° of Executive Committee meetings held: 5	N° of Meetings Attended
Mr Avinash RAMTOHUL, Chairperson	5/5
Vice Chairperson (Vacant since August 2007)	Nil
Dr Krishnalall COONJAN,	5/5
Dr Azad JEETUN	4/5
Mr Swaminathan RAGEN (up to January 2009)	2/4
Mrs Bilkiss Rajahbalee Cader	1/1
Mr Yusuf SOOKLALL	5/5

Statement of remuneration of Council /Executive Committee members

The Chairman of the Council receives a monthly fee of Rs 15,000 and Other Executive Committee member's fees are set at Rs 5000 per month whereas Council members receive a fee of Rs 1500 per sitting.

The remuneration of members for financial year 2008/2009 is as follows:

Council Members	Remuneration
Mr Avinash RAMTOHUL	180,000.00
Mr S.RAGEN	35,000.00
Mr Y.SOOKLALL	40,000.00
MR A.JEETUN	60,000.00
Mr Suresh Chandra BHURRUTH	4,500.00
Mr Roland DUBOIS	4,500.00
Mr M.GOPAL	6,000.00
Mr. A.K. HOOLASS	6,000.00
Mr B.C. KUREEMAN	6,000.00
Mr Jay Komarduth HURRY	6,000.00
Mr Govindasamy PILLAY	6,000.00
Mr José PONCINI, GOSK	1,500.00
Mr Vivek Gupta RAMNARAIN	4,500.00
Mr Vijay SOOKHAREE	6,000.00
Mr Radhakrishna SADIEN	6,000.00

CORPORATE GOVERNANCE (continued)

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 NPCC acknowledges its responsibilities for:

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

The external auditor (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:

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

Staff turnover amongst the professional cadre represents a potential risk for the Council. The duties being carried out by such staff are in principle quite technical and inability to retain them can result in considerable loss of valuable human resources. In view of the established rules of the public sector, it has unfortunately, not been possible, up to now, to refrain professional staff from leaving the Council.

Signed on behalf of the NPC Council.



Mr G GUNESH

Chairman



Dr A JEETUN

Member, Executive Committee



Directors' Statement for Internal Control

The NPCC acknowledges its responsibility for the setting up of adequate system of internal controls 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:

- Proper segregation of duties whereby the different functions in process are crosschecked and verified.
- Expenditure limits for the Executive Director has been fixed by the Executive Committee and purchases are duly authorised by the appropriate instances.
- Follow up and implementations of recommendation of the Director of Audit in order to improve the process and ensure proper accountability, is regularly adhered to.
- Adequate supervision of duties performed by staff members by Executive Director.
- The assets of the Council are properly safeguarded.
- All cheques issued by the Council are signed by two authorised signatories.

Signed on behalf of the NPC Council.

Mr G GUNESH
Chairman

Dr A JEETUN
Member, Executive Committee

STRATEGIC PLANNING

STRATEGIC PLANNING

A brainstorming session with Council members, Management Staff and selected stakeholders is held to define a three year strategic plan.

Management then prepares an 18 months rolling action plan based on the strategic plan which is discussed and approved by the Council. The Action plans are reviewed every six months and the strategies annually.

Following a brainstorming session held in October 2006 to define the strategic plan for the three year period ending December 2010. It was recognised that Mauritius could no longer be able to compete with the same strategy that brought a success in the past and that innovative solutions needed to be initiated to address the new challenges. Profound changes are required to adjust to the opening up of the economy which can only be achieved with a shared vision and consensus on how to tackle such challenges.

The session was facilitated by Mr Raj Makoond, Director of the Joint Economic Council.

The new mission defined during the brainstorming session was “[Make Mauritius work. Together](#)”. A change in strategy could only be possible if productive partnership between government, businesses, workers and representative of civil society could be established.

The vision “[Better Living for the Nation](#)” is maintained.

STRATEGIC PLANNING (continued)

The NPCC's activities have been inspired by this new mission and the strategic objectives defined. However, Productivity and Competitiveness are the result of the collaborative effort of one and all. As has been the case earlier, it was agreed that it will not be the exclusive responsibility of NPCC to realise the set objectives

The NPCC is more of an umbrella organisation rather than an implementing body. In line with its role as a think tank, an awakener and a synergiser in driving the productivity movement, the NPCC aims at bringing together all stakeholders around common platforms/dialogues and pilot projects driven by the strategic objectives.

The core objective of the NPCC, since its inception, is the 'development of a productivity culture'. In order to foster industry and country competitiveness, productivity at individual and enterprise levels has to be coupled with an enabling environment. Such an environment will be engineered by making Mauritius work together and will be a resultant of concerted and coordinated efforts of all stakeholders within an integrated strategy.

The key strategies/goals are as follows:

Promote innovation through building innovation capacity

1. Promote entrepreneurship through networking
2. Promote technology transfer through collaboration
3. Develop competencies for empowerment through knowledge development and sharing
4. Promote models of excellence through benchmarking
5. Promote capacity building (skills and competencies) through a Productivity Academy
6. Improve corporate productivity through better labour-management - relations
7. Promote civic responsibility
8. Promote discussions on national productivity and competitiveness issues
9. Promote teamwork and social values in the education system and the community

Operationalising the Strategies through 5 Main Themes

Following a brainstorming session among staff members, it was deemed appropriate to regroup the activities of the strategic plan around five main themes to ensure coherence, harmonisation and hence a better understanding of NPCC's Agenda. The themes are:

Theme 1: Innovation

This theme is fundamental to competitiveness. Innovation is important for sustained productivity improvement and competitiveness. Everybody should be continuously exploring new ways of doing things and think out of the box to improve on processes, products, market positioning etc. The objective is to promote and accelerate a culture of innovation.

Theme 2: Empowerment

The 4 E's (Empowerment through Education for Entrepreneurship and Employability) has been a guiding principle of the NPCC since its inception. Mauritius should develop human capital that possesses civic virtue, global perspective on the economy and environment, deep knowledge, creativity and culture.

Theme 3: Best Practices

The determining factor of productivity growth is expressed at the microeconomic business environment. There is a need to assist the corporate sector to become internationally competitive in terms of productivity, quality, costs and delivery.

Theme 4: Productivity and Competitiveness Issues

The NPCC has published a Competitiveness Foresight document in 2005. The Foresight has had an impact on the mindset of our local decision makers and the business community in particular and has been the basis for the economic reforms in the country. A significant follow-up has been made related to the development of a Roadmap for the Export of Services as a growth sector. Similarly, the identification of new opportunities for growth in the agricultural sector has been made with the contribution of stakeholders and three pilot networking projects for planters moving into high value agricultural products have been initiated.

Theme 5: Communication

Whereas each programme has its own communication strategy, it was envisaged to conduct a national campaign. Communication is integrated throughout in all the projects undertaken by the NPCC. It takes into account the dissemination of knowledge by providing a platform whereby people have the opportunity to meet, discuss and share knowledge through workshops/seminars. The NPCC also promotes campaign at national level on specific themes to sensitize the population at large.

PRODUCTIVITY AND COMPETITIVENESS

PRODUCTIVITY AND COMPETITIVENESS

GREEN PRODUCTIVITY

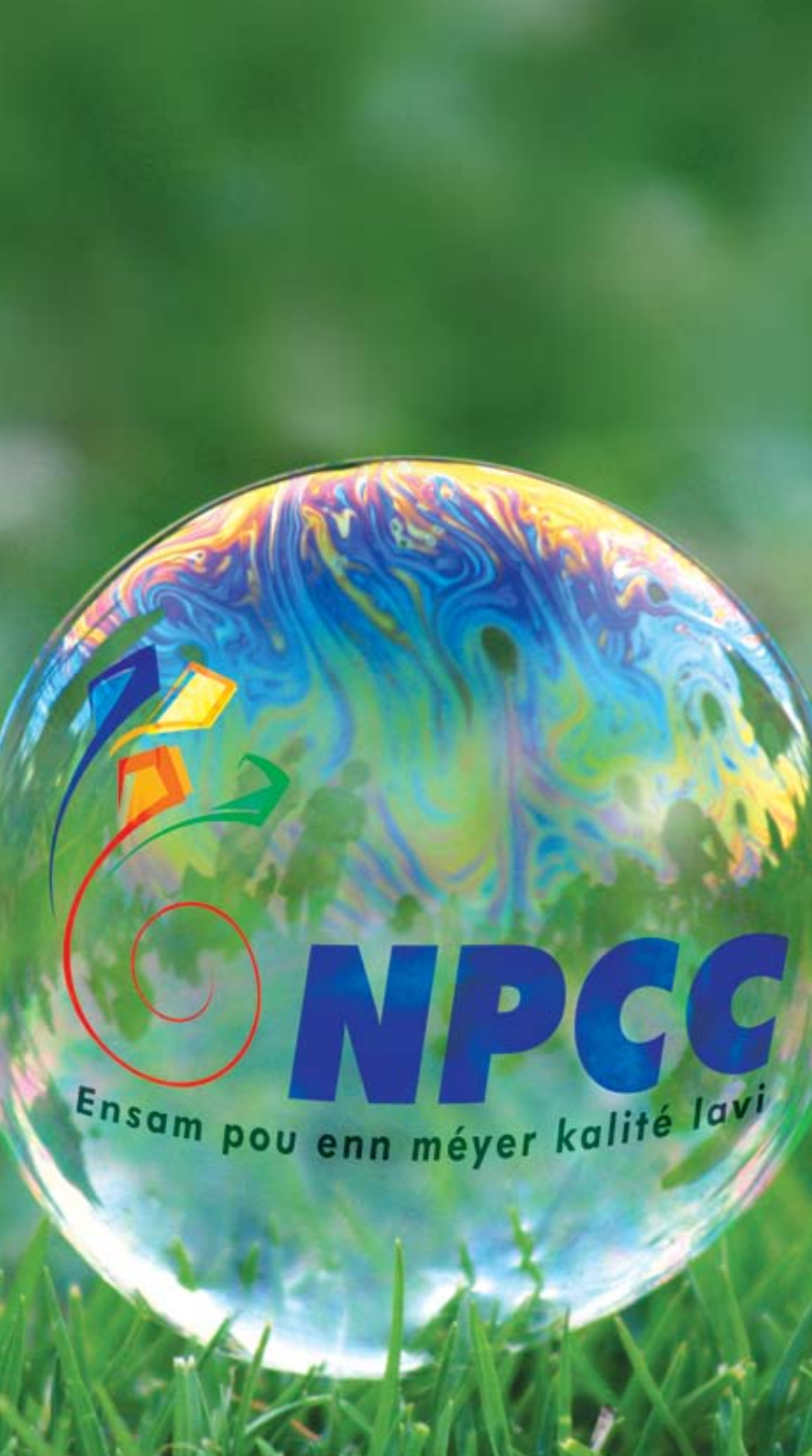
Considering that Mauritius is on the threshold of unsustainable development, the NPCC initiated the “Green Productivity for sustainable development” programme. In 2007-2008, with the partnership of Environmental Management Centre (India) and University of Mauritius, the NPCC developed a green productivity programme targeting key sectors viz. business enterprises, schools and community. The NPCC invested in the development of GP tools for the different target groups and implemented pilot cases in respective sectors to test these tools.

In 2008-2009, the focus was on mass sensitization through the Innovators Mauritius Award III (Eco-living pour une île Maurice durable – Everybody can make a difference), interventions, project replication and advisory.

One intervention project was the “Green School” in partnership with the Ministry of Education, Culture and Human Resources and the Ministry of Environment where 108 facilitators have been trained and 35 secondary schools are participating in the programme.

At Corporate level, the NPCC worked with the Association des Hoteliers de l’île Maurice (AHRIM) to conduct a Green Productivity (GP) survey of 6 hotels to identify potential carbon emission reductions and Ministry of Industry to survey the technical needs of 25 textile and apparel enterprises for the Greener and More Sustainable Industry programme.

For the health sector, the NPCC conducted a walkthrough survey in Victoria Hospital (April-May 2009) to identify projects regarding environmental performance and productivity improvement. The survey report was presented to the Ministry of Health and Quality of Life, which has accepted to give full support to a first series of interventions at Victoria Hospital, which could be replicated in other hospitals in the future. In June 2009, a course on productivity and quality was organised by University of Mauritius for professionals from the health and social care sector. The NPCC was the resource person and 30 professionals have been trained in utilising the quick green productivity opportunity assessment (GPOA) tool.



PRODUCTIVITY AND COMPETITIVENESS (continued)

GREEN PRODUCTIVITY (continued)

To reinforce its approach for the corporate sector, the NPCC developed a project for setting a dedicated cell that would provide technical support to enterprises for implementing GP. The project was submitted to the Agence Française de Développement, the MID Fund and the UNDP. The organization is currently under study for hosting the Joint UNIDO-UNEP Programme on Promoting Resource Efficient and Cleaner Production in Developing and Transition Countries.

In collaboration with University of Mauritius, the NPCC has developed a feasibility plan for the development of a Central Compost Development Facility (CCDF) for Mauritius, which has been submitted to the Ministry of Agro Industry for necessary action at their end. A stakeholder meeting was organized, where the NPCC presented the feasibility plan and discussions were held on the way forward.

LABOUR-MANAGEMENT RELATIONS: ESTABLISHING A NEW PARTNERSHIP MODEL

The thrust of the NPCC's mission is "To make Mauritius work. Together." In the Agenda for Productivity and Competitiveness 2007-2010, one of the strategic objectives identified is to "spearhead a culture of dialogue at national, industry and enterprise levels..." Accordingly "the improvement of corporate productivity through better labour-management relations" was identified as one of the strategies.

The cooperation between labour and management is a prerequisite for improving productivity. In the present environment of dynamic change, the development of sound and harmonious relations between management and employees has assumed a sense of urgency.

In that context the NPCC has organized two workshops:

- with representatives of employers on 29 May 2009 and
- with representatives of employees /unions on 3 June 2009.

The objectives of the workshops were:

- To allow both parties to take cognizance of issues emerging from the University of Mauritius-Mauritius Research Council Unionisation Survey (2008)
- To provide an opportunity to both parties to re-negotiate their respective roles
- To allow both parties to state their expectations from each other and from the State

The methodology used during the workshops was of the problem-solving and reframing type and a version of the Role Analysis Technique was used by Dr A. Ramgooty-Wong, Associate Professor at the University of Mauritius to bring out the sense of partnership and responsibility in all parties. Discussions were open and participants in each workshop had to express concrete role behaviours on four issues, on their part and on the part of their partner.

Issues covered were:

- The necessity for increased mutual understanding of perspectives
- How to move towards a culture of consultation, trust, two-way communication and participation
- How to establish a common commitment to the enterprise and the economy's success
- How to move away from the 'old' unionised model

The findings from both workshops will form part of a report that will serve as a basis for the NPCC for further action in the respective areas.



PRODUCTIVITY AND COMPETITIVENESS (continued)

THE GREEN SCHOOL PROJECT

The Green School Project (GSP) is part of the NPCC's Green Productivity Programme. It aims at promoting and acknowledging long-term school initiatives towards environmental protection through increased awareness and understanding of environmental issues.

GSP is a joint NPCC, Ministry of Education, Culture & Human Resources and Ministry of Environment and NDU initiative, and was launched on 29th January 2009.

The project uses a learning by doing approach to help students understand the importance of caring for resources in the environment. It is an excellent opportunity given to students to experience active citizenship at school. Each school is required to set up a Green School Team (GST) that would be responsible to implement the GSP. The GST starts by assessing the current situation at school in terms of resource management and is responsible for building an action plan for the year. The actions are then replicated throughout the whole school informing and involving the maximum number of students.

To disseminate information to users, the NPCC has developed an e-platform Moodle. The platform accompanies users and guides the school facilitators and students through the necessary steps towards the implementation of the project. It also contains a blog to enable users or schools network and share their experiences and information on-line.

Furthermore, the NPCC provides regular updates on the subject, on a fortnightly basis with tips and actions for the current period.

One hundred and two facilitators followed the training and thirty five schools have registered to participate in the Green School Convention and Award scheduled for November.

INNOVATION

INNOVATION

INNOVATORS MAURITIUS AWARD

The objective of the Innovators Mauritius Award is to awaken the creative potential of our citizens so that innovation becomes an integral part of the citizens. The 3rd edition of the Innovators Mauritius Award aimed at targeting people / businesses who can use their creative and innovative ideas through products or processes to create a more productive and sustainable Mauritius.

Actions were initiated since January 2008, and after necessary brainstorming the issue of global environmental degeneration emerged as a theme to be considered. The third edition of the Award was launched on 12th July 2008 under the defined theme; *Ecoliving: pour une ile maurice durable. Everybody can make a difference....*

The choice for this theme comes at a time when there is an urgent global call for action. The NPCC seized the opportunity to call for out-of-the-box thinking and actions towards sustainable development to ensure "Better living for the Nation". Indicators show that with an ecological footprint of 1.8 global hectares per person, and an HDI (Human Development Index) of 0.8, Mauritius lies at the threshold of an unsustainable lifestyle. This is good enough to question our habits or simply ask ourselves: How many more planets do we need to sustain our current lifestyle?



INNOVATION (continued)

INNOVATORS MAURITIUS AWARD (continued)

Eco living concerns everyone of us and imprints in our day-to-day life. It shows our ways and habits of using energy, water, in our consumption patterns, in our production methods, in the ways we construct buildings and houses, in our modes of travel, in the way we develop our procurement policies and in the choice of materials and equipment we use, and the amount of waste we generate, the pollution we contribute to etc... The challenge therefore for the Innovators Mauritius Award III was: "What innovations can we bring about – in the millions of ways we do things at home, in the workplace, in public places" to assist in reducing our ecological footprint and reverse the trend of an ecological deficit, not to say a disaster!

A two-month sensitisation campaign started just after the launch through different media: press, television, radio and billboards. The NPCC also participated in various programmes such as Peak Time magazine and 'Barclays – bank on community' and "Dossier" on MBC TV to sensitise the public at large to the urgency of the matter and the opportunity to participate in the Award and to contribute towards creating a better world to live in. The Campaign was taken in charge by the two main sponsors of the Innovators Mauritius Award III: The Barclays Bank and Cread. The Barclays sponsored the media campaign while Cread took in charge the concept and design of the Award. A Steering Committee was set to drive the Innovators Award.

The NPCC also organised roadshows in public places and shopping centres such as Shoprite, Winners and Jumbo for the dissemination of information and distribution of information brochures to prospective participants.

A special roadshow was organised for children at Shoprite. Various activities were held relating to the theme of the award. The aim of this roadshow was to sensitise children around the Eco-living theme and having as possible targets the parents who sent their children to participate in the activities of the day.

The NPCC organised regular workshops relating to the theme and other sessions on related themes, such as Intellectual Property Rights and Financing innovation, etc. to better equip the public to participate in the Award.





INNOVATION (continued)

INNOVATORS MAURITIUS AWARD (continued)

The Innovators Mauritius Award Nite was held on 16th October 2009 at the Imperial China Restaurant. One hundred and seven innovations were registered for the competition and the panel of jurors was co-chaired by Mr Joel de Rosnay, Conseiller Special du Premier Ministre, Conseiller du President de la Cite des Sciences et de L'Industrie, Paris and by Mr Manoj Vaghjee, Managing Director, Sustainable Resources Management Ltd.

The prizes were awarded as follows:

CATEGORY: INDUSTRIALISTS/PROFESSIONALS

GOLD AWARD

Prize: MUR 300,000 + Trophy + Certificate

WINNER (ex-aequo)

Mr Tony Lee Luen Len – Ecosis Ltd
Project: Residence Tanzi

Dr. Nalini Issur & Mr. Muzammil Moosafeer
Project: Passive cooling and daylighting of buildings

SILVER AWARD

Prize: Trophy + Certificate

WINNER (None)

BRONZE AWARD

Prize: Trophy + Certificate

WINNER (None)

The other members of the Jury were:

- Mrs Pamela Bapoo-Dundoo, National Co-ordinator, UNDP-GEF Small Grants Programme
- Dr. Radhakrishna Somanah, Associate Professor, Faculty of Science, University of Mauritius
- Mrs Gaitree Jugessur-Manna, Principal State Counsel, State Law Office
- Mr Manoj Bumma Course Co-ordinator, IVTB School of Design
- Professor Romeela Mohee, Chair in Chemical & Environmental Engineering, University of Mauritius

CATEGORY: GENERAL PUBLIC

GOLD AWARD

Prize: MUR 200,000 + Trophy + Certificate

WINNER

Mr Romeno Ramasawmy
Project: Low cost wind turbine made from scrap metal

SILVER AWARD

Prize: Trophy + Certificate

WINNER (None)

BRONZE AWARD

Prize: Trophy + Certificate

WINNER (ex-aequo)

Mr Emile Oudin
Project: Electric Generator running without solar energy, fuel oil or biofuel

Mr Rajendranath Balkee
Project: Tide and Wave Concertina Energy Conversion Device



ecaliving
Green for the World, Better for You

GOLD AWARD
Industrialists / Professionals

Cash Prize
Rs 300,000

NPCC

ecaliving
Green for the World, Better for You

GOLD AWARD
General Public

Cash Prize
Rs 200,000

NPCC

INNOVATION (continued)

INNOVED 2009

InnovEd (Innovation for the Education Sector) is a joint Ministry of Education, Culture and Human Resources and National Productivity and Competitiveness Council (NPCC) Project, which was launched in 2005. The aim of InnovEd is to promote critical thinking, problem solving, creativity and innovation among children of pre-primary, primary and secondary levels. More than 7000 young prospective innovators from Mauritius and Rodrigues participated in the fifth edition of InnovEd.

The InnovEd 2009 was launched with a training of facilitators delivered by the NPCC, whereby the participants were introduced to the methodology to be followed for the innovation process as well as different tools that could be used for the purpose. 297 facilitators from the participating primary and secondary schools, both public and private, attended the training sessions which were held in the conference room, NPCC, between February - March 2009.

The project culminated into a national exhibition and award ceremony from the 18th to the 21st May 2009. 332 projects of the participating students were showcased at the Mahatma Gandhi Auditorium at a national exhibition on 20 and 21 May 2009. A panel of 130 jurors assessed the projects.

The outstanding projects for the 5th edition of InnovEd were:

PRE PRIMARY CATEGORY (ex-aequo)

Early years Pre Primary School, Port Louis
Project: Multi purpose cabinet keeper

R. Nuckchady Pre Primary School, Trèfles
Project: Share with me

LOWER PRIMARY CATEGORY

Henrietta Government School
Project: Proshoe

UPPER PRIMARY CATEGORY

Surtee Soonnee Government School
Project: TYSOFA

LOWER SECONDARY CATEGORY

Sir Abdool Raman Osman State College
Project: Eco-future House

UPPER SECONDARY CATEGORY (ex-aequo)

Rivière du Rempart SSS
Project: The mobile chair bag

Grande Montagne College, Rodrigues
Project: The Sink Water Collector





**PRE-PRIMARY SCHOOL
CATEGORY**

Early Years Pre-Primary School



**PRE-PRIMARY SCHOOL
CATEGORY**

R.C. Nuckchady Pre-Primary GS



**LOWER PRIMARY
SCHOOL CATEGORY**

Henrietta Government School



**UPPER PRIMARY
SCHOOL CATEGORY**

Surtee Soonnee GS



**LOWER SECONDARY
SCHOOL CATEGORY**

Sir Abdool Raman Osman SC



**UPPER SECONDARY
SCHOOL CATEGORY**

Rivière du Rempart SSS



**UPPER SECONDARY
SCHOOL CATEGORY**

Grande Montagne College, Rodrigues

**BEST
PROJECTS
OF
INNOVED
2009**

INNOVATION (continued)

DEVELOPING THE INNOVATIVE POTENTIAL OF OUR CIVIL SERVANTS

The NPCC conducted a training for the members of the Mauritius Public Service Quality Association on the theme "Quality: from improvement to innovation" in the context of a National Quality Week held from 17th to 21st November 2008.

The participants were introduced to the concept and importance of innovation in their professional activities. The workshop was based on brainstorming sessions and exercises to put in practice what was taught.





EMPOWERMENT FOR DEVELOPMENT



EMPOWERMENT FOR DEVELOPMENT

ADVOCACY FOR POVERTY ALLEVIATION AND COMMUNITY HEALTH

For empowerment at grassroot level, training on Advocacy for Poverty Alleviation and Community Health was conducted in collaboration of the National Women's Council. The main objective of the course was to set up networks of women group leaders who would participate actively in decision-making on issues that affect their livelihoods in their respective community. The training objectives were to:

- Provide women with knowledge and skills in problem solving and needs identification at the regional level
- Provide women with advocacy skills to promote their participation in policy making related to poverty alleviation and health, at the regional level
- Build up solidarity and alliances with other stakeholders in the pursuit of common goals at the community level

The methodology adopted for this training was learning-by-doing, where there were theoretical presentations in the classroom including guided discussions and planned one-day visit in the community to identify the cases of extreme poverty and problems faced by people suffering from different forms of illnesses. All the findings emanating from discussions at community level were presented in forms of case studies at the end of the workshop.

Eight workshops were organized in different centres in the north of the country and 320 women from the District of Pamplemousses/Rivière du Rempart were awarded a certificate of attendance on the 1st December 2008.

EMPOWERMENT FOR DEVELOPMENT (continued)

CIVIC ACTION TEAMS FOR PRODUCTIVITY IMPROVEMENT IN THE EDUCATION SECTOR

Promoting team work, the Civic Action Team aims is at building individual and group capabilities to produce quality people first before making quality product or producing quality services. The importance of quality is to be imparted to children at the early stage of growth if the creation of a world of quality is envisaged for tomorrow. If the educational institutions are to fulfill their obligations of equipping their students with the right attitudes and skills required to successfully meet the challenges of an ever changing society of tomorrow they have no choice but to adopt the quality approach.

The CATs' activities help to break down barriers that impedes creativity. Working in small groups enable students, teachers, non-teaching staff and eventually parents and people from the local community to bounce ideas off one another and facilitate a freer exchange of views and consolidation of new ideas. Such ideas can result in breakthrough improvements.

The CATs enable people to undergo a learning-by-doing process. They experience regularity and punctuality at meetings, discuss in a disciplined, fully participative and responsible manner (through brainstorming techniques) their problems based on facts and figures (not on perceptions), and propose solutions which can be implemented by themselves or within the scope of resources available. It provides children an opportunity to master the PDCA tool and eventually to apply it to demonstrate resulting changes.

BRAINSTORMING
PDCA Pareto
Fishbone Quality Circles

CATs

Civic Action Teams

thinking & acting together to boost civic responsibility

- Learn problem solving techniques...
- Develop analytical skills
- Work in teams
- Bring improvements in your school



JOIN US FOR THE 7TH CATs' CONVENTION

BRAINSTORMING
PDCA Pareto
Fishbone Quality Circles

PRESENT YOUR PROJECT
THROUGH ANY OF THE FOLLOWING:

- CASE STUDY
- ROLE PLAY
- POSTER DISPLAY

CATs
Civic Action Teams
thinking & acting
together to boost
civic responsibility

EMPOWERMENT FOR DEVELOPMENT (continued)

THE SEVENTH CATS CONVENTION 2008

Eighty two schools (31 primary schools and 51 secondary schools) participated in the Seventh CATs convention for the education sector. Four primary schools and three secondary schools from Rodrigues also participated in the CATs Convention 2008. The Convention did not have a specific theme. Each participating team however had to select a problem/project linked to the school.

Twenty four schools reached the national CATs Convention on the 23-24 July 2008. The jurors were

- (1) Dr. A. Maulloo, Director of the Rajiv Gandhi Science Centre
- (2) M. K. Seeburn, lecturer at the University of Technology and
- (3) M. D. Gungaparsad, Research Officer at the Mauritius Research Council.

New Bambous Government School won the Award in the primary category and Port Louis SSS project was rewarded in the secondary category. The team of 5 students of Port Louis SSS and four facilitators participated in the 11th International Convention on Students' Quality Control Circles. (ICSQCC'2008) from 26th and 28th of August 2008 held in Turkey. The Crazy Readers of Port Louis SSS won the Juran Award at the international convention

THE EIGHTH CATS CONVENTION 2009

Training was organized in the four zones with the support of the Ministry of Education, Culture and Human Resources in February. The training exercise at Rodrigues was conducted at the Human Resource Centre from 19-21 March. The 2009 project evoked interest in children from one hundred and fifteen schools

Regional conventions were held with a pool of jurors from 9-12 June 2009. 18 schools (Mauritius and Rodrigues) were shortlisted to participate in the convention at national level scheduled for 19-20 August 2009 at the Mahatma Gandhi Institute Auditorium. The event was postponed as a result of the AH1N1 and in accordance with the relevant decision taken by the Ministry of Education, Culture and Human Resources.

EMPOWERMENT FOR DEVELOPMENT (continued)

ELIT – ENGLISH LITERACY USING IT

The English Literacy using IT (ELIT) stands as now a regular programme organized by the NPCC with the collaboration of municipal councils, private institutions and NGOs. For the period July 2008 to June 2009, more than 100 women have benefitted from the training under the ELIT programme.

The invaluable support of the municipal councils of Curepipe, Quatre Bornes and Vacoas/Phoenix has been key to this achievement. In fact, the ELIT project is self-sustained as far as it can gather the required number of participants to complete a batch. Under the full sponsorship of the Municipal Council of Curepipe, contributing in terms of logistic support and trainer's fees, two batches of women were trained and 27 participants completed the course successfully. The Municipal Councils of Quatre Bornes and Vacoas/Phoenix contributed by putting their respective cybercafés at our disposal to conduct the ELIT project. However, in order to bear the cost of the trainer's fees, the participants had to pay a nominal fee of Rs 1200 for the course. For this period, 3 batches of ELIT course were delivered in each Municipal Council and 42 participants at the Municipal Council of Quatre Bornes completed the course successfully while 28 women were successfully trained at the Municipal Council of Vacoas/Phoenix.

With the ELIT women have been empowered to advocate for productivity improvement at home and they can easily identify non-value adding activities or MUDA, for instance, switching off the lights or the television when not in use. For ELIT women have been encouraged to work in teams and eventually some of them have turned to be micro-business partners offering catering services, beauty care, garment making, and for others, ELIT has been an opportunity for networking with others to expand their micro-businesses. After 3 months inter-action with experienced trainers, the participants felt very confident in the use of information and communication technology (ICT). They even sent e-mails to NPCC staff and browsed on the internet to complete their project work and developed their respective portfolios.





EMPOWERMENT FOR DEVELOPMENT (continued)

ELIT – ENGLISH LITERACY USING IT (continued)

NGOs, more specifically, SOS Poverty has initiated the course for a group of 20 participants during this financial year. There has also been a proposal by Five A Academy to sponsor a speech contest to evaluate aptitudes of participants. The University of Mauritius and the Mauritius College of the Air have been contacted to act as jurors for the speech contest.

Scaling up of ELIT is under way and it is motivating to note the Participatory Advisory Committee of Lady Sushil Ramgoolam Women Centre Bambous to secure the sponsorship of Fondation Médiine Horizons for a batch of women to benefit from the ELIT course that will be organized at the UNICOMP Computer Centre Bambous in collaboration with the NPCC.



EMPOWERMENT FOR DEVELOPMENT (continued)

LIFELONG LEARNING - OR LEARNING FOR DEVELOPMENT

Lifelong Learning - or Learning for Development is a new concept whereby it needs to be emphasized that 80% of self strategic learning for development takes place through a self learning mode. This approach is being explored in the field of agriculture at the level of small farmers on the Belle Mare coastal regions. In the given world economic situation and its impact on developing economies, it is viewed that a category of small businesses will not be able to bear the effects of globalisation unless a new growth pathway is paved through a knowledge empowerment process, so that they are able to operate as clusters to move to high-end markets. This implies a shift towards production of higher value agricultural produce with established modes of networking with banks and other agencies offering credit facilities and specially with other support institutions. Linkages with high-end markets will require a change in the mindset and in the ways farmers have traditionally been operating. This calls for a new way of doing business. This approach has been developed by The Commonwealth of Learning (COL), which is an intergovernmental organisation created by Commonwealth Heads of Government to encourage the development and sharing of open learning/distance education, knowledge, resources and technologies. Since April 2007, the COL has partnered with the National Productivity and Competitiveness Council (NPCC) to evolve, on a pilot basis, perspectives for L3 in Mauritius for small scale vegetable growers, starting in a particular region in the east. The NPCC is facilitating to identify their learning needs and the support of knowledge institutions –viz AREU, commercial banks, Ministry of Cooperatives – are being solicited to develop open and distance learning (ODL) materials to cater for the farmers needs. Two ODL materials have been developed on greenhouse production of high value-added products and greenhouse construction and management (which will help farmers to move to higher value-added products identified with hotels) in collaboration with AREU and the banks. Presently, 2 ODL materials on credit management for small businesses and a touchscreen information sheet on crop management, are under preparation.





EMPOWERMENT FOR DEVELOPMENT (continued)

WOMEN AT THE HEART OF COMMUNITY DEVELOPMENT

Women represent a major partner in the productivity movement. “Women at the heart of community development - A Grassroot’s Empowerment Programme” was the culmination of the collaboration between the NPCC and the Ministry of Women’s rights, CW and FP, and its Participatory Advisory Committees (PACs). This collaboration tried to explore how women could be empowered not only to identify, but also to address the emerging needs of the community through a grassroots’ participatory approach so as to improve the quality of life of the community. The Action Plan of the Participatory Advisory Committees, the mechanism which the Ministry has put in place, whereby women link up with the Community, was launched by the Hon PM on the 8th March 2009. There are presently 15 Participatory Advisory Committees (PACs)-14 in Women Centres and 1 in Pont Lardier Empowerment Centre. Thus, encouraging the highest possible level of participation and interaction among the community and secure the trust and confidence of people, and continue to be well-informed about community concerns. The PACs have 7 axes for development, viz.

- economic development
- sports
- education and training
- environment
- social, legal and health.

The Ministry of Women’s Rights is currently developing an ODL material on support services to boost women entrepreneurship to enhance their economic development.





BEST PRACTICES



BEST PRACTICES

MODEL COMPANIES

The Model Companies Project which started way back in August 2007 continued during the period under review. The Japanese consultants visited five companies – CIM Leasing Ltd., Food & Allied Industries Ltd., Laiterie de Curepipe Ltd., Mauritius Post Ltd. and Precigraph Ltd. – three times during the period July – November 2008. The NPCC, on its part, conducted several working sessions with the kaizen teams of these companies to ensure the implementation of the project at the company level.

To disseminate the results of the application of Japanese productivity improvement techniques to a wider audience, a knowledge sharing exercise took place on 25th February 2009 at the Conference Hall of the Cyber Tower 1, whereby the selected companies showcased the outcome and their experience of the project to an audience composed of representatives of the private sector, of the public sector and of trade unions.

Two training manuals on 5S and kaizen have also been produced and published by the NPCC as part of the project, namely:

1. Kaizen Guidebook: Textbook & Instructor's Manual
2. 5S: Textbook & Instructor's Manual



BEST PRACTICES (continued)

MODEL COMPANIES (continued)

The pilot phase of the project ended in February 2009 with an evaluation mission from the Japan Productivity Centre which visited Mauritius between 21st and 25th February 2009. Following the positive response received from different partners, the project has been renewed for another period of one year

The NPCC conducted a kaizen workshop for the Ministry of Information & Communication Technology in view of increasing the productivity and motivating of staff.

The intervention focused on:

- training / sensitisation on 5S, kaizen and process improvement for fifty-two employees of the ministry to improve the working environment of employees and the processes for a better delivery of services to both internal and external customers
- in-plant interventions in the Registry, the Store Department and the Finance Section of the ministry to provide the employees with hands-on experience in applying the different tools and techniques learnt during the training

The outcome was:

- improved layout facilitating access to fax machine and for the movement of files
- 10 metres of shelves recovered and shelves labeled to facilitate file retrieval
- improved physical storage of items in Store Department for maximum utilization of existing space and creation of a transit area for just-received items

BEST PRACTICES (continued)

A TOUCH OF KAIZEN

The NPCC trained and facilitated the successful implementation of 5S and Quality Circle (QC) at the warehouse of Scott and Co Ltd from February to June 2009.

Prior to 5S and QC implementation, a Quality Awareness Survey (QAS) was conducted to assess and evaluate the readiness of the twenty warehouse operators to get involved in Quality Improvement programme. The operators were then introduced to the 5S and QC methodology and had the opportunity to apply it in their Gemba (workplace). Implementation resulted in significant productivity improvement noted particularly in terms of better housekeeping and enhanced employee morale.



BEST PRACTICES (continued)

BENCHMARKING

Preferences and tariffs protection has given way to an increasingly more open trading and business environment. Thus, the private sector is now going through a critical phase of its development, as a result of trade liberalisation and globalisation. On the internal front, with the gradual rise in cost, Mauritius is no longer considered as a low-cost producer. This state of affairs calls for immediate actions by enterprises to review their management and operative practices and processes. Management by facts is an essential component of enterprise management for productivity and competitiveness improvement. Enterprises should be able to identify productivity performance gaps, quantify them, understand why they exist, identify what to do to improve them and measure the impact of such improvement programmes initiated and eventually succeed in outshining their competitors.

The NPCC has been promoting 2 major assessment tools to assist enterprises to improve their productivity and competitiveness:

- One tool provide a qualitative diagnosis of enterprise capabilities, addressing key business areas such as strategic planning, marketing, production, technology, management, R&D, finance, plants/equipment and organisation structure and management. It helps to identify whether the enterprise has set up the minimum required management processes in place in order to manage critical areas of business risks.
- The other tool is the economic productivity measurement, which helps to identify objectively the health and vulnerability of the enterprise. It provides a systematic method to compile productivity indicators at enterprise level. This method is instrumental for enterprises to develop a productivity dashboard and thus identify processes that are not adding value but cost. The indicators measure the respective contribution of each unit of input to overall output, value added and increased profitability and the return on every rupee invested in the business.

ECONOMIC PRODUCTIVITY BENCHMARKING (ECONPROBE)

Since 2007, the Ministry of Industry is using the economic productivity assessment for the pre-selection exercise of the "Mauritius Business Excellence Award," whose main objective is to motivate Mauritian businesses to continuously improve ways of doing business. The first edition of the award was organised in 2008, during which 16 enterprises were assessed.

In 2008, at the request of the Enterprise Mauritius, the National Productivity and Competitiveness Council (NPCC) implemented an economic productivity benchmarking (EPB) and capability enhancement programme to enhance competitiveness of small and medium enterprises (SMEs). The targeted sectors were textile and apparel, agro-processing, furniture making, cosmetics and light manufacturing. The main objective of the programme was to develop and/or enhance competitive capabilities of SMEs through continual quantitative measurement and inter-company benchmarking and to identify generic (sector level) and firm-specific initiatives that would enhance the competitiveness of the targeted sectors. Thus, the capability of 44 enterprises was assessed during the period July–August 2008. However, due to low response and insufficient supply of required data of enterprise, the NPCC was unable to conduct the complete economic productivity assessment.

BEST PRACTICES (continued)



STRATEGIC VISIONING EXERCISES

Following a Strategic Visioning Exercise for SIL (Mauritius) Ltd conducted in February 2008 facilitated by the NPCC, the Board of Directors of SILNAM, which is the SIL's sister company in Namibia, requested the NPCC to conduct a similar exercise for SILNAM. This was done on the 27th and 28th August 2008 in Windhoek, Namibia. The participants comprised of the representatives of SILNAM Board of Directors, the SILNAM Senior Management Team and Trade Union representatives. The specific aims of the exercise were to (1) revise and come up with a common and shared vision / mission for SILNAM and (2) translate the new vision / mission into meaningful strategies and objectives and actions (3) eventually develop performance indicators.

BEST PRACTICES (continued)

GOOD PRACTICES FOR THE HEALTH SECTOR

The NPCC conducted an intensive walkthrough survey to assess the status of productivity and quality in the Victoria hospital during the period March to April 2009. Based on the findings of the survey, a course curriculum was designed by the staff of NPCC for the training of professionals of the health and social care sector through a joint collaboration with the University of Mauritius. The focus of the course was on basic concepts of productivity and quality applied in the health sector including the concepts of a greener health and social care. The course was duly registered with the MQA and organized in the premises of the University of Mauritius.

Thirty participants benefitted from the course which was scheduled from 15th to 26th June 2009. As part of the evaluation of their performance, participants had to team up and present a specific project that is pertinent to their department. They also submitted a project report as part of the assignment. There were 15 projects evaluated and all the participants passed through the assignment.

Implementation of the projects have already been initiated with the support of the NPCC namely at the Medical Unit under the Ministry of Social Security and National Solidarity where staff have been trained in practices of good housekeeping and problem solving techniques.

After the training conducted at the University of Mauritius, a presentation of the findings of the walkthrough survey was made to the Minister of Health and Quality of Life and Hon Rajeshwar Jeetah requested that good housekeeping should be implemented at the Victoria Hospital. Following this request, a presentation was made to management of Victoria Hospital and a proposal was sent to the Ministry of Health and Quality of Life.





BEST PRACTICES (continued)

PRODUCTIVITY ACADEMY

In the context of the setting up of the Productivity Academy, the National Productivity and Competitiveness Council organized a brainstorming session in March 2009 with 45 human resource managers from both the private and the public sector to assess the need for productivity improvement training.

The main objectives of this meeting were to:

- Assess the need for training
- Assess the ongoing training programs
- Address specific skills required by trainee
- Tailor the training to the specific needs of the trainee (for example, level, language or interests, etc...)
- from a broader perspective to respond to corporate training needs in Productivity & Quality

The assessment mentioned above focused on the need for productivity improvement in six sectors:

(1) leadership (2) Measurement (3) People (4) Process (5) Customer and (6) Society at different levels: (i) Senior Executives, (ii) Management and (iii) Lower grades.

A strong demand for the need in training on strategic planning, Balanced Scorecard, process improvement and Total Quality Management was identified for the Executive level. While at the management level, the training need was more focused on productivity tools such Work Improvement, Team/Quality Improvement, Team Quality Circles, Facilitation Techniques, Suggestion Scheme and Team Building. Training in productivity tools and techniques such as Problem Solving, Total Productive Maintenance, Process Improvement, Communication, Muda, Mura Elimination and Customer Care were required for the lower grades employees.

Furthermore, a training on "communication skills" was conducted on the 24th and 25th June 2009, at the Domaine Les Pailles for staff of the Central Procurement Board.

DISSEMINATION OF KNOWLEDGE

DISSEMINATION OF KNOWLEDGE

During the July 2008–June 2009 period, NPCC held a series of workshops and training sessions to sensitise and initiate people on the concepts of productivity:

- Innovators Award III: Sensitisation on the concept of the award and talks on the theme related to the award, 31st July, 7th, 14th, 21st & 28th August 2007, 3rd September 2008
- Innovators Award III: Roadshow, 2nd, 3rd & 10th August 2008
- Training on Advocacy for Community Health, 6th–10th & 20th–24th October 2008
- Brainstorming session with future inhabitants of Terre Nouvelle La Valette, Bambous, 11th October 2008
- SS sensitisation to employees of St Paul Care Home for elderly people, 18th November 2008
- SS sensitisation to the participants of the ELIT Quatre Bornes batch, 11th December 2008
- Green School Project: Training of Facilitators, 20th January 2009
- ELIT (English Literacy using IT): Training of new batch at Municipality of Curepipe, 27th January 2009
- ELIT (English Literacy using IT): Training of new batch at Municipalities of Quatre Bornes and Vacoas / Phoenix, 28th January 2009
- Sensitisation on Kaizen to management and Board Members of ICAC, 9th February 2009
- Sensitisation on Green School Project to students and teaching staff of Gaetan Raynal SSS, 12th February 2009
- InnovEd (Innovation for the Education Sector): Training of Facilitators, 17th–20th February 2009 & 5th March 2009
- CATs (Civic Action Teams): Training of Facilitators, 19th–20th February 2009
- Sensitisation on ELIT (English Literacy using IT) at Citizen's Advice Bureau of Bambous, 17th March 2009
- Presentation of the Green School Project at Rajiv Gandhi Science Centre in the context of Maurice Ile Durable Week, 18th March 2009
- InnovEd (Innovation for the Education Sector) and CATs (Civic Action Teams) Training in Rodrigues, 19th–21st March 2009
- Training on problem-solving, communication and leadership skills to teaching staff of Port Louis SSS, 6th April 2009
- Presentation on clustering and networking to small tourism dependent enterprises, 20th April 2009
- Sensitisation on SS to staff of Editions de l'Ocean Indien, 23rd April & 7th May 2009

Another component of the dissemination of information is the regular publication on a quarterly basis of our newsletter – (September 2008, December 2008, March 2009 and June 2009). Furthermore, 424 new resources have been received at the Knowledge Centre to update our collection on productivity, quality and competitiveness.

CORPORATE SERVICES

CORPORATE SERVICES

THE TEAM

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

The total number of staff on the establishment at 30 June 2009 was 35. However, only 17 staff were in post and included two Office Attendants/Drivers and three support staffs.

Mr Ram Jutliah, Productivity Specialist, resigned his post with effect from September 2008.



CORPORATE SERVICES (continued)

CAPACITY BUILDING

The strength of the NPCC is based on its people – their attitude, commitment, flexibility to adapt to different target groups, their ability to communicate effectively, capacity to innovate and to inspire confidence through their professionalism. Continuous Staff training is therefore of the essence for the NPCC to achieve its goals.

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

- Mr J Pem, attended the 11th International Convention for Students Quality Control Circles in Istanbul, Turkey from 26th to 28th August 2009.
- Mrs F M Charlotte, Mrs P B Hurdowar, and Mrs Shalini Mathaven participated in an Observational Study Mission on Productivity Promotion and Facilitation in Japan from 18th October to 1st November 2008.
- Mr D Appalswamy, Mrs V Goorah, Miss P Khurtoo and Miss R Ramphal attended the Basic Course for Productivity Practitioners from 10th Nov to 5th Dec 2008. The programme was specifically funded by the Japanese Government and designed for the Pan African Productivity Association member Countries. It was hosted by the National Productivity Institute, South Africa and delivered by the Asian Productivity Association
- Mrs S Matahven attended the training course on Enhancing Competitiveness for Commonwealth developing countries from 1st to 7th April 2009 in Singapore.



INTERNATIONAL NETWORKING

INTERNATIONAL NETWORKING

International networking is not only a powerful source of Knowledge and new ideas but also an opportunity to promote the development of quality collaboration in productivity between Mauritius and other countries. The NPCC International Networking objective is to put emphasis on collaborative efforts to develop, share and transfer skills and competencies required to strengthen the Organisation and share experience with other National Productivity Organisations(NPO's) in Africa and Asia.

In this regard, networking missions have been undertaken during the financial year as follows:

- The Executive Director attended the Uganda National Productivity Conference on 8th and 9th July 2008 in Kampala, at the invitation of the National Planning Authority of Uganda. The conference was organized with a view to share experience of the African NPO's and help the setting up a National Productivity Organisation (NPO) in Uganda. The establishment of an NPO in Uganda is an initiative of the Southern African Development Community and the East African Community regional grouping of National Productivity Organisations of which the Botswana National Productivity Centre is the coordinator and the NPCC a key member whereas the Commonwealth Secretariat is the supporting agency.
- It should be noted that a team from the Botswana National Productivity Centre and the NPCC conducted a needs assessment study, funded by the Commonwealth Secretariat, on capacity building for National Productivity Organisations (NPO) in the SADC and East African Regions in October 2005.

INTERNATIONAL NETWORKING (continued)

- Mr N Sukurdeep attended the fifth Pan Commonwealth Forum on Open Learning from 13th to 17th July 2008 in London. The Forum seeks to address open and distance learning through widening educational access, bridging the digital divide and by advancing the social and economic development of communities and nations at large.
- The first Pan African Competitiveness Forum (PACF) was held in Addis Ababa from 14th to 16th April 2008 whereby the Executive Director of the NPCC was elected on the Advisory Board of the PACF. He attended the meeting of the advisory board on 29 August 2008 in Maputo, Mozambique. The meeting was organized in conjunction with the "5th Eastern African Regional Conference on Innovation Systems and Innovative Clusters in Africa", held from 25th to 28th August 2008 in Maputo.
- As member of TCI (The Competitiveness Institute) and of the Advisory Board of the Pan African Competitiveness Forum, the Executive Director of the NPCC attended the ordinary session of the Annual General Assembly and the 11th Annual Global Conference of The Competitiveness Institute held in Cape Town, South Africa from 29th – 31st October 2008.
- In the context of the Lifelong Learning for Farmers (L3) project, funded by the Commonwealth of Learning, an Interactive Workshop on setting up of Performance Indicators for Quality Assurance in Livelihood Programmes and Inauguration of L3 Farmers project at Batticaloa, Sri Lanka was scheduled from 24th September to 1st October 2008, followed by a meeting with L3 farmers in India.
- Following an invitation of the Commonwealth of Learning Dr Krishnalal Coonjan, Executive Director of the NPCC, Mr Naren Sukurdeep, Productivity Consultant, and Mr Dhanraj Ramjuttan, Entrepreneur, Belle Mare Agro Farm Company Ltd, attended the workshop as well as the L3 meetings in India, to share experiences and at the same time to learn from the projects implemented in Sri Lanka & India.





INTERNATIONAL NETWORKING (continued)

- The Executive Director attended a Board Meeting of the Pan-African Productivity Association in Johannesburg, South Africa from 3 to 4 December 2009.
- The Executive Director attended a workshop on Productivity and Social Dialogue in Nazareth (Ethiopia) from 13th to 15th May 2009 organised by the African Union Commission (AUC) and the international Labour office (ILO) in collaboration with the Pan African Productivity Association (PAPA). The Programme is part of the African Union Strategic Plan 2009-2012 which will be adopted by heads of states in the July 2009 Summit and which entails provisions for the development and implementation of a "Productivity Africa Programme" with Social Dialogue. It must be noted that with the view to contribute to the Competitiveness in Africa, the AUC and the ILO in collaboration with PAPA have committed to engage in a long run approach to Productivity Improvement and Social Dialogue Enhancement.
- The Executive Director, as Vice President of the Pan African Productivity Association represented the Association and chaired the commission on Productivity which delivered the Africa Productivity Programme adopted by the African Union Commission.

During the Financial year, the NPCC had representatives in the following task forces/ boards/ committees/ organization:

Local

The Executive Director of the NPCC is a member of the Human Resource Development Council and a Senate member of the University of Mauritius.

Regional

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

International

NPCC is a member of :
GBN (Global Benchmarking Network)
The Clustering Alliance
Clusters Asia Pacific
The Competitiveness Institute
Public Sector Benchmarking Service
GKP (Global Knowledge Partnership)

FINANCIAL REPORT

BALANCE SHEET AS AT 30 JUNE 2009

	NOTES	JUNE 30 2009 Rs	JUNE 30 2008 Rs
ASSETS			
Non-current assets			
Plant and Equipment	3	1,414,016	2,555,579
Current assets			
Trade and Other Receivables	4	4,793,593	2,865,801
Cash & Bank Balances		9,165,103	10,425,577
		13,958,696	13,291,378
Total assets		15,372,712	15,846,957
FUNDS AND LIABILITIES			
General Fund	5	7,059,148	8,012,326
Non Current liabilities			
	6	4,551,165	4,306,176
Current liabilities			
Trade & Other Payables		3,762,398	3,528,455
		15,372,712	15,846,957



G. GUNESH
Chairman



Dr. K. COONJAN
Executive Director

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	NOTES	JUNE 30 2009 Rs	JUNE 30 2008 (Restated) Rs
Income	7	1,014,003	1,692,296
Government Grant	8	19,672,672	14,936,342
Other Income	9	5,799,234	8,671,058
		26,485,909	25,299,696
Operating Expenditure	10	(26,297,523)	(29,121,798)
Net Profit / (Deficit) for the year		188,385	(3,822,102)
Surplus brought forward		5,456,748	9,278,850
Surplus carried forward		5,645,133	5,456,748

STATEMENT OF CHANGES IN EQUITY

	CAPITAL FUND	RESERVES	TOTAL
As at 1 July 2008	2,555,578	5,456,748	8,012,326
Transfer from Government Grant	83,408		83,408
Deferred income			
- transferred to Income & Expenditure	(961,869)		(961,869)
- transferred to NEF	(263,102)		(263,102)
Profit for the year		188,385	188,385
As at 30 June 2009	<u>1,414,015</u>	<u>5,645,133</u>	<u>7,059,148</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	JUNE 30 2009	JUNE 30 2008
A. Cash flow from operating activities		
Surplus / (Deficit) for the year	188,390	(3,822,102)
Adjustments for:		
Depreciation	961,869	1,112,964
Retirement and Other Benefits	703,641	247,009
Amortisation of capital grant	(961,869)	(1,212,780)
Profit on disposal of assets	-	(25,183)
Operating Deficit before working capital changes	892,031	(3,700,092)
(Increase) / Decrease in Receivables	(2,432,395)	82,244
Increase / in Payables	279,890	2,011,288
<i>Net cash flow from operating activities</i>	<u>(1,260,474)</u>	<u>(1,606,560)</u>
B. Investing activities		
Purchase of Property, plant and equipment	(83,408)	(358,381)
C. Financing activities		
Capital grant	83,408	358,381
Proceeds from sale of asset	-	125,000
	<u>83,408</u>	<u>483,381</u>
Decrease in cash and cash equivalent	(1,260,474)	(1,481,560)
Cash and cash equivalent at the beginning of the period	10,425,577	11,907,137
Cash and cash equivalent at the end of the period	<u><u>9,165,103</u></u>	<u><u>10,425,577</u></u>

NOTES FOR THE YEAR ENDED 30 JUNE 2009

1. PRINCIPAL ACTIVITIES

The object of the Council as stipulated by the NPCC Act 1999 is to stimulate and generate productivity and quality consciousness and drive the productivity and quality movement in all sectors of the economy with a view to raising national output and achieving sustained growth and international competitiveness. The Council therefore undertakes a series of activities such as Promotion/Sensitisation, Research & Analysis, Documentation, Operations (Productivity improvement programme, training, consultancy, benchmarking, clustering and promotion of innovation), Advisory, and Networking to achieve its objective.

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

3. NON CURRENT ASSETS

	Furniture Fixtures & Fittings Rs	Office Equipment Rs	IT Equipment Rs	Motor Vehicles Rs	Total Rs
COST					
At 1 July 2008	1,594,129	1,060,491	3,184,203	2,246,300	8,085,123
Additions		27,390	56,018		83,408
			(350,802)		(350,802)
At 30 June 2009	1,594,129	1,087,881	2,889,419	2,246,300	7,817,729
DEPRECIATION					
At 1 July 2008	1,033,942	729,113			5,529,544
Transferred to NEF			2,568,169	1,198,320	5,529,544
Charge for the year	159,413	116,807	(87,700)		(87,700)
			236,389	449,260	961,869
At 30 June 2009	1,193,355	845,920	2,716,858	1,647,580	6,403,713
NET BOOK VALUES					
At 30 June 2009	400,774	241,961	172,561	598,720	1,414,016

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009	2008
	Rs	Rs (Restated)
4. DEBTORS & ADVANCES		
Debtors & Prepayments	2,691,519	259,124
Deposits	776,540	776,540
Advances (Car loan granted by government to Staff)	1,325,534	1,830,137
	<u>4,793,593</u>	<u>2,865,801</u>
5. GENERAL FUND		
Capital Fund "see note 11"	1,414,015	2,555,578
Surplus of income carried forward	5,645,133	5,456,748
	<u>7,059,148</u>	<u>8,012,326</u>
6. NON CURRENT LIABILITIES		
Retirement benefit obligation – " see note 14 "	807,443	1,219,196
Car loan - refundable by staff	849,384	1,325,534
Provision for Leaves refund	2,726,841	1,611,446
Provision for Passage Benefit	167,497	150,000
	<u>4,551,165</u>	<u>4,306,176</u>

7. INCOME

Income derived is from training & consultancy services.

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009	2008
	Rs	Rs (Restated)
8. GOVERNMENT GRANT		
Grant Received	19,200,000	15,500,000
Less Grant devoted to Capital Expenditure	<u>83,408</u>	<u>7,578</u>
	19,116,592	15,492,422
Provision for CATs convention July 08	556,080	(556,080)
Income & Expenditure Account	<u>19,672,672</u>	<u>14,936,342</u>

The amount of Rs 83,408 has been credited to the capital grant account and will be amortised over the useful life of the assets purchased.

9. OTHER INCOME

Interest received	527,713	1,200,729
Gain on disposal of van	-	25,183
Gain on foreign exchange	151,391	-
Management of Special Programme for Unemployed Women	2,176,957	-
Miscellaneous income	129,433	55,749
Contribution from other organisation		
N.E.F	1,851,871	-
Ministry of Finance	-	6,000,000
Less amount used for capital expenditure	-	(350,802)
Deferred Income in respect of Government Grant	961,869	1,125,080
Deferred Income - Empowerment Programme	-	87,700
United Nation Development Programme - UNDP	-	527,419
	<u>5,799,234</u>	<u>8,671,058</u>

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009	2008
	Rs	Rs
10. OPERATING EXPENDITURE		
Personnel Costs	14,449,819	11,114,832
Administrative Costs	5,691,656	5,425,532
Promotion, Communication & Sensitisation	538,911	585,011
International Networking	209,141	415,912
Capacity Building	200,101	261,252
Knowledge Centre	40,138	200,936
Training and Consultancy	178,691	927,022
Innovation & Creativity Project	1,427,751	312,496
Green Productivity	66,939	1,932,584
CATs	493,111	373,261
English Literacy using Information Technology	104,783	114,450
Life long learning	82,741	-
Empowerment Programme – Special Programme for Unemployed Women	1,851,871	6,229,553
Difference on foreign exchange	-	115,993
Depreciation	961,869	1,112,964
	<u>26,297,523</u>	<u>29,121,798</u>

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009 Rs	2008 Rs
11. CAPITAL FUND		
Balance b/f	2,555,578	3,409,978
Transfer from government grant	83,408	7,578
Less Deferred Income	(961,869)	(1,125,080)
Transfer from grant received from Ministry of Finance – “ see note 9 ”	-	350,802
Less Deferred Income	-	(87,700)
Less amount transferred to NEF – “see note 3 ”	(263,102)	
	<u>1,414,015</u>	<u>2,555,578</u>

12. SPECIAL PROGRAMME FOR UNEMPLOYED WOMEN UNDER EMPOWERMENT PROGRAMME

The National Productivity and Competitiveness Council was the implementing agency for the Special Programme for Unemployed Women under the Empowerment Programme since June 2007 and it was being operated as a Project Monitoring Unit (P.M.U.). This P.M.U. has been transferred to the National Empowerment Foundation (NEF) in January 2009.

13. SPONSORSHIP FOR INNOVATORS MAURITIUS AWARD III

The Barclays Bank PLC was the main sponsor for the Innovators Mauritius Award III and has directly financed the communication campaign for the project. The cost incurred by the Barclays Bank Plc is not included in the financial statements.

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

14. RETIREMENT BENEFIT OBLIGATION	YEAR ENDING JUNE 30	
	2009 Rs	2008 Rs
Amounts recognised in balance sheet at end of year:		
Present value of funded obligation	4,085,615	2,173,654
(Fair value of plan assets)	(2,885,990)	(2,090,435)
	<u>1,199,625</u>	<u>83,219</u>
Present value of unfunded obligation	-	-
Unrecognised actuarial gain/(loss)	(392,182)	1,135,977
Unrecognised transition amount	-	-
Liability recognised in balance sheet at end of year	<u>807,443</u>	<u>1,219,196</u>
Amounts recognised in income statement:		
Current service cost	119,882	283,435
Fund expenses	16,617	35,036
Interest cost	228,234	253,070
(Expected return on plan assets)	(273,691)	(160,748)
Actuarial loss/(gain) recognised	34,023	-
Past service cost recognised	-	-
Transition effect of adopting IAS 19	-	-
Settlement in respect of Past Service	-	-
Total, included in staff costs	<u>125,065</u>	<u>410,793</u>
Movements in liability recognised in balance sheet:		
At start of year	1,219,196	1,310,191
Total staff cost as above	125,065	410,793
(Contributions paid by employer)	(536,817)	(501,788)
At end of year	<u>807,444</u>	<u>1,219,196</u>
Actual return on plan assets:	218	192,347
Main actuarial assumptions at end of year:		
Discount rate	10.50%	11.00%
Expected rate of return on plan assets	11.00%	11.50%
Future salary increases	7.50%	8.00%
Future pension increases	5.50%	6.00%

The assets of the plan are invested in funds managed by State Insurance Company of Mauritius Ltd. The overall expected rate of return on plan assets is determined by reference to market yields on bonds and expected yields differences on other types of assets held based on historical return trends.

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

YEAR ENDING JUNE 30

14. RETIREMENT BENEFIT OBLIGATION (continued)

	2009 Rs	2008 Rs
Reconciliation of the present value of defined benefits obligation		
Present value of obligation at start of period	2,173,654	2,300,633
Current service cost	119,882	283,435
Employee contributions	293,976	555,215
Interest cost	228,234	253,070
(Benefits paid)	(18,840)	(21,410)
Liability (gain)/loss	1,288,709	(1,197,289)
Present value of obligation at end of period	4,085,615	2,173,654
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	2,090,435	897,531
Expected return on plan assets	273,691	160,748
Employer contributions	536,817	501,788
Employee contributions	293,976	555,215
(Benefits paid + other outgo)	(35,456)	(56,446)
Asset gain/(loss)	(273,473)	31,599
Fair value of plan assets at end of period	2,885,990	2,090,435
Distribution of plan assets at end of period		
<i>Percentage of assets at end of year</i>	2009	2008
Government securities and cash	56.35%	46.80%
Loans	8.06%	8.20%
Local equities	20.97%	30.20%
Overseas bonds and equities	13.65%	13.80%
Property	0.97%	1.00%
Debenture stocks	0.00%	0.00%
Total	100%	100%

NOTES FOR THE YEAR ENDED 30 JUNE 2009 (continued)

14. RETIREMENT BENEFIT OBLIGATION (continued)

YEAR ENDING JUNE 30

Additional disclosure on assets issued or used by the reporting entity

	2009 (%)	2008 (%)
Percentage of assets at end of year		
Assets held in the entity's own financial instruments	-	-
Property occupied by the entity	-	-
Other assets used by the entity	-	-

History of obligations, assets and experience adjustments

Year	2009	2008
Currency	Rs-	Rs
Fair value of plan assets	2,885,990	2,090,435
(Present value of defined benefit obligation)	(4,085,615)	(2,173,654)
Surplus/(deficit)	(1,199,625)	(83,219)
Asset experience gain/(loss) during the period	(273,473)	31,599
Liability experience gain/(loss) during the period	(1,288,709)	1,197,289
Year	2010	
Expected employer contributions	874,962	

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

	30 JUNE 2007 Rs	1 JULY 2006 Rs
Equity under Previous GAAP	15,272,461	21,584,414
Retirement Benefits accounted for under IAS 19	(1,310,191)	(1,234,110)
Employee Benefits other than Retirement Benefits Accounted for Under IAS 19	(1,273,442)	(826,669)
	<u>12,688,828</u>	<u>19,523,635</u>



National Productivity and Competitiveness Council

Make Mauritius Work. Together