



## PROJECT NOTIFICATION

Ref. No.: 21-CP-22-GE-WSP-B-PN2100080-002

<b>Date of Issue</b>	29 September 2021
<b>Project Code</b>	21-CP-22-GE-WSP-B
<b>Title</b>	Workshop on Waste Management in Manufacturing SMEs through MFCA and Lean
<b>Timing and Duration</b>	24–26 November 2021 (three days)
<b>Hosting Country(ies)</b>	India
<b>Modality</b>	Digital Multicountry
<b>Implementing Organization(s)</b>	National Productivity Council, India and APO Secretariat
<b>Participating Country(ies)</b>	All Member Countries
<b>Overseas Participants</b>	38
<b>Local Participants</b>	12
<b>Qualifications of Participants</b>	Practitioners, trainers, consultants, National Productivity Organization (NPO) professionals, managers and executives of SMEs, and representatives of industry associations working on waste minimization, resource conservation, sustainable development, resource conservation, lean, and MFCA
<b>Nomination of Participants</b>	All nominations must be submitted through NPOs of member countries
<b>Closing Date for Nominations</b>	3 November 2021

## 1. Objectives

- a. Introduce the concepts of lean and Material Flow Cost Accounting (MFCA) to enhance productivity, reduce waste, and raise enterprise competitiveness.
- b. Explore and leverage Industry 4.0 technologies while implementing waste minimization approaches.
- c. Showcase the tangible benefits of lean and MFCA for enterprise resource conservation, monetary savings, and productivity gains.

## 2. Background

The manufacturing sector adds value to raw materials by transforming them into useful products through a series of processes involving skilled manpower, technology, and the consumption of natural resources and energy. The sector is labor intensive and, especially in the initial stages of national economic development, absorbs the workforce displaced from other sectors like agriculture. According to the *APO Productivity Databook 2020*, the manufacturing sector contributes significantly to the GDP of both developed and developing APO members. Manufacturing is also a major driving force behind productivity growth in most Asian countries.

One of the needs of SMEs throughout supply chains is to remain competitive and resilient in volatile market conditions without compromising on quality, value, and price. However, the widening demand-supply gap in natural resources and increasing environmental concerns such as pollution, climate change, waste generation, etc. directly challenge enterprise business growth and lower profit margins. Today, SMEs need to identify and implement solutions resulting in transparency of material flows, elimination of processes or activities that consume resources without creating value, and streamlining of business operations. MFCA as a diagnostic tool to detect process waste costs and adapt production activities following lean management systems provides systematic approaches to help enterprises improve their productivity and efficiency while minimizing costs, waste, and environmental impacts.

In line with the Green Productivity concept developed to improve the triple bottom line of quality, environment, and productivity in enterprises, various workshops, training courses, conferences, e-learning courses, and demonstration projects have been implemented. To showcase the combined positive impact of lean and MFCA, a demonstration project was initiated by the APO in 2016 in collaboration with the National Productivity Council, India. The methodology of integrating MFCA and lean during the project was termed "GLEAN" and was validated by the demonstration units. This workshop will allow participants to have firsthand exposure to the benefits of following GLEAN.

## 3. Scope, Methodology, and Certificate of Attendance

The duration of each day's sessions will be around three hours comprising presentations by experts, group discussions, and other relevant learning methods. The indicative topics of the presentations are:

### Day 1:

- Productivity enhancement for organizational excellence and sustainable development
- Lean manufacturing and MFCA concepts, techniques, tools, methodologies, and approaches

### Day 2:

- Enabling implementation of lean and MFCA through Industry 4.0
- Standardization framework related to lean and MFCA

### Day 3:

- Virtual site visit to showcase tangible benefits of GLEAN
- Group work and presentations

The detailed program and list of speakers will be provided two weeks prior to the sessions with announcement of the names of the selected participants.

The participants are required to attend all sessions. This full participation is a prerequisite for receiving the APO certificate of attendance.

#### **4. Financial Arrangements**

- a. The APO will meet the assignment costs of overseas resource persons and honorarium for up to two local resource persons.
- b. The host country will meet the costs for a virtual site visit(s), either broadcast live or recorded as applicable.

#### **5. Implementation Procedures**

Please refer to the implementation procedures for APO digital multicountry projects circulated with this document.

A handwritten signature in black ink, appearing to read 'Mochtan', with a long, sweeping flourish extending upwards and to the right.

Dr. AKP Mochtan  
Secretary-General