



ASIAN PRODUCTIVITY ORGANIZATION

19 December 2012

PROJECT NOTIFICATION

1. **Project Code:** 13-IN-91-GE-DON-C
2. **Project Title:** **Member Country Support Program (second year of a two-year project cycle: continuation of 12-IN-91-GE-DON-C)**
3. **Duration and Timing:** May 2013 to March 2014
4. **Venue(s):** Participating Member Country
5. **Implementing Organizations:**

The following organization will implement the Member Country Support Program (MCSP) project with the help of the Japan Productivity Center (JPC).

National Productivity Council (NPC, India)
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6. **Participating Country:** Selected Member Country - India
7. **Objectives:**

To strengthen the NPO and partnering organization(s) of the participating member country by upgrading their capacities for productivity promotion, consultancy, and training in specific skills in subject areas through the establishment of demonstration-cum-productivity model companies/organizations, in-country training with the technical assistance and consultancy from the assigned APO expert(s). The demonstration/model companies/organizations will apply the specific skills and knowledge gained with the help of NPO professionals under the supervision of the expert(s) to become role models and showcase the tangible results of productivity, quality, and environmental improvements in the selected processes. The project also aims at assisting the NPO to build its capacity to provide consultancy and training services through active involvement in the project.

8. Background:

The MCSP is a two-year project to assist an individual NPO to develop its capacity through activities based on its needs and abilities. The project has been designed as a combination of APO program schemes, such as technical expert services, observational study missions, and development of demonstration/model companies. The JPC has supported this project by bearing part of the cost of assigning international experts and therefore collaborates in selecting an NPO as a beneficiary of the MCSP. The main focus areas are the development of internal expertise through the training of consultants to benefit the NPO and establishment of model local SMEs. Since 2002, the NPOs of Bangladesh, Cambodia, Indonesia, Lao PDR, Malaysia, Mongolia, Pakistan, Sri Lanka, and Vietnam have benefitted from the MCSP.

As a measure to enhance GP in NPC, India, the JPC and APO have identified an appropriate new tool, material flow cost accounting (MFCA). MFCA is an environmental management accounting method initially developed in Germany in the late 1990s and since then has been adopted widely in Japan. It focuses on tracing waste, emissions, and nonproducts and can help boost an organization's economic and environmental performance. Through the MCSP, the APO and JPC provide support to the NPC, India by organizing training of trainers' courses in specific productivity improvement techniques and developing selected SMEs as model companies.

In the first phase of the project (May 2012 to April 2013), several expert missions were dispatched, and NPC, India consultants involved in this project had a chance to attend an observational study mission in Japan. The project will continue in the second phase until March 2014. After the completion of the MCSP project, the NPC, India is expected to be able to upgrade its services in productivity promotion, training, and consultancy, especially in the area of MFCA. It also expected that the NPC, India will sustain the development and implementation of MFCA in MCSP model companies as showcases for local industry.

Keeping in mind that this project was specially created for the NPC, India, several shortcomings and deficiencies identified in the first phase have been eliminated and improved. Therefore, all parties involved must take full responsibility to ensure that the second phase of the project will be implemented in accordance to the requirements and outline provided by the APO and JPC.

9. Program Outline:

- a) Continuous technical support and guidance from APO–JPC experts from May 2013 to March 2014 for the NPC, India and model companies;
- b) Completion of training manuals on MFCA in the local language;
- c) Allocation of additional places for participants from the MCSP beneficiaries in relevant APO projects organized by the JPC or other member countries, if feasible and necessary;
- d) A national seminar to disseminate the lessons learned from the MCSP project and to showcase the development of model companies in March 2014;
- e) Final evaluation of the achievements of the two-year MCSP jointly undertaken by the APO, JPC, and NPC, India in March 2014; and
- f) Distribution of the final project report to all member countries.

10. Outputs from the NPC, India:

The NPC, India is expected to:

a) During the second year

- i. Submit a monthly report on the project status to the APO and JPC;
- ii. Make logistic arrangements during APO–JPC expert missions;
- iii. Make follow-up training and site visits after each expert mission to each model company;
- iv. Ensure full cooperation by MCSP counterparts during APO–JPC expert missions; and
- v. Organize a national dissemination seminar at the end of the project.

b) After completion of the project

- i. Recognize the MCSP counterparts by certifying them as qualified trainers/consultants for MFCA for SMEs;
- ii. Distribute the local training manual for the use of industry and associate consultants;
- iii. Develop more training courses based on the projects under the MCSP;
- iv. Sustain the development of model companies as a benchmark for implementation of MFCA in other SMEs in the country; and
- v. Appoint counterparts in SME model companies as associate consultants and partners to nurture other SMEs.

11. Financial Arrangements:

a) To be borne by the APO

- i. Part of the daily subsistence allowances and honoraria for Japanese experts (including JPC experts) to be assigned to India;
- ii. All expenses for other international experts assigned by the APO and JPC;
- iii. A maximum of USD1,000.00 to the NPC, India to cover some local expenses relating to implementation of a national seminar at the end of the project in March 2014. The expenses will include
 - a) Conference package including meals for breaks and conference room with adequate facilities for presentations and seminar purposes and
 - b) Preparing and compiling presentation material sets for all participants; and
- iv. A maximum of USD1,000.00 to the NPC, India to cover some local expenses for publishing training manuals in the local language after project completion.

For items iii and iv, the NPC, India will cover all other expenses and settle the entire account by providing all necessary bills and receipts to the APO after completion of the project. The final applicable payment will be based on the actual expenditure and review of the report submitted by the NPC, India as required.

Note: The dissemination seminar/workshop is to be held near the end of the two-year project. Similarly, the training manual in the local language is to be published at the completion of the two-year project.

b) To be borne by NPC, India

All expenses to undertake the activities mentioned in item 10 above.

c) To be borne by the JPC

- i. Airfare for experts from Japan and the JPC to India;
- ii. Part of daily subsistence allowances and honoraria for Japanese experts (including JPC experts) to be assigned to India



Ryuichiro Yamazaki
Secretary-General