

EXECUTIVE SUMMARY

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| TITLE | : THE IMPLEMENTATION OF CHEMICAL PRODUCTIVITY NEXUS PROJECTS FOR 2019 |
| OBJECTIVE | : To seek approval to utilise CPN budget for the implementation of Chemical Productivity Nexus 2019 projects. |
| OUTPUT | : Five (5) main CPN sub-initiatives driven by five initiatives under MPB |
| DURATION | April – December 2019 |
| TOTAL COST | : RM 995,000 |
| BUDGET | : Nexus Chemical Budget |
| RECOMMENDED BY | : Delivery Management Office (DMO) |
| COMMENT BY CHIEF ACCOUNTANT | |
| COMMENT BY PCT | : |

MALAYSIA PRODUCTIVITY CORPORATION (MPC)

PROPOSAL FOR BOARD OF MANAGEMENT

1.0 Purpose

The purpose of this paper is to seek the approval of MPC's Board of Management (BOM) to utilise the Chemical Productivity Nexus Budget for the implementation of 2019 projects.

2.0 Background

Chemical Productivity Nexus (CPN) implementation plan for 2019 – 2020 has been developed and relevant projects have been identified in line with the initiatives outlined in the Malaysia Productivity Blueprint (MPB).

Initiatives under the CPN are as follows:

1. Establish chemicals Centre of Excellence
2. Deepen collaboration between industry players and educational institution in offering chemical courses.
3. Provide technical, digital and management support to enhance SME capabilities
4. Enable SMEs to move towards high value add components in the chemical value chain
5. Provide support to high potential SMEs to expand internationally

Five (5) main projects for 2019 have been identified as follows:

| Initiative | Sub-initiative | Output |
|-------------------|---|---|
| C1 | C1.1 Development of Chemical Centre of Excellence Framework | Chemical Centre of Excellence Framework developed |
| C2 | C2.1 Develop collaboration framework between industry players and education institutions | Collaborative Framework developed |
| C3 | C3.1 Develop a framework of systematic evaluation and mentoring programme that leveraging technical, digital and management support to improve SMEs competitive advantages | i. Systematic Evaluation mechanism developed ii. Mentoring programme framework developed |
| C4 | C4.1 Identify competitive spaces and barriers that prohibit enterprises moving towards high value add through analysis of downstream supply gaps | Report on competitive space, barriers, future trends developed |

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| C5 | C5.1 Develop growth strategy guidance framework towards internationalisation programme through collaboration with CoE | i. High potential SMEs selection criteria developed ii. Framework on International Growth Strategy Programme (IGSP) developed |
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3.0 Objective

To seek approval to utilise CPN budget for the implementation Chemical Productivity Nexus 2019 projects.

4.0 Cost

The estimated cost for 2019 Chemical Productivity Nexus projects are as follows:

| | PROJECT | Estimated Cost (RM) | Quantity | Total Estimated Cost (RM) |
|----------------|---|---------------------|----------|---------------------------|
| A. | MPB SUB-INITIATIVE | | | |
| 1 | C1.1 Development of Chemical Centre of Excellence Framework | 95,000 | 1 | 95,000 |
| 2 | C2.1 Develop collaboration framework between industry players and education institutions | 95,000 | 1 | 95,000 |
| 3 | C3.1 Develop a framework of systematic evaluation and mentoring programme that leveraging technical, digital and management support to improve SMEs competitive advantages | 60,000 | 1 | 60,000 |
| 3 | C4.1 Identify competitive spaces and barriers that prohibit enterprises moving towards high value add through analysis of downstream supply gaps | 125,000 | 1 | 125,000 |
| 4 | C5.1 Develop growth strategy guidance framework towards internationalisation programme through collaboration with CoE | 89,000 | 1 | 89,000 |
| TOTAL A | | | | 464,000 |

| PROJECT UNDER MPC & ENTREPRENEURSHIP LEVEL INITIATIVE | | | | |
|--|--|--------|--|----------------|
| 1 | Best Practices (8 cases) | 2,000 | 8 | 16,000 |
| 2 | SIRIM-FRAUNHOFER Programme. Budget was approved from BOM in 2018) | 40,000 | 3 | 80,000 |
| 3 | Responsible Care Implementation Programme (RCP) | 40,000 | 6 | 240,000 |
| 4 | Identification of New Technology and Establishment of Centre of Excellent (COE) That Will Accelerate Introduction of Bio-Based Polyhydroxyalkanoates (PHA) | 45,000 | 1 | 45,000 |
| | | | TOTAL B | 381,000 |
| ADMINISTRATIVE OF NEXUS (OE) | | | | |
| 1 | PSH @ RM4500 per month | 4,500 | 9 months | 40,500 |
| 2 | Promotion materials | 30,500 | 9 months | 30,500 |
| 3 | CPN Coordinator @ RM7,000 / month x 9 months | 7,000 | 9 months | 63,000 |
| 4 | Mileage claim @ RM2,000 / month x 9 months | 2,000 | 9 months | 16,000 |
| | | | TOTAL C | 150,000 |
| | | | ESTIMATED EXPENDITURE (TOTAL A+B+C) | 995,000 |

6.0 Approval from BOM

The approval of BOM is sought to approve the Budget of **RM 995,000** for the implementation of 2019 projects.

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