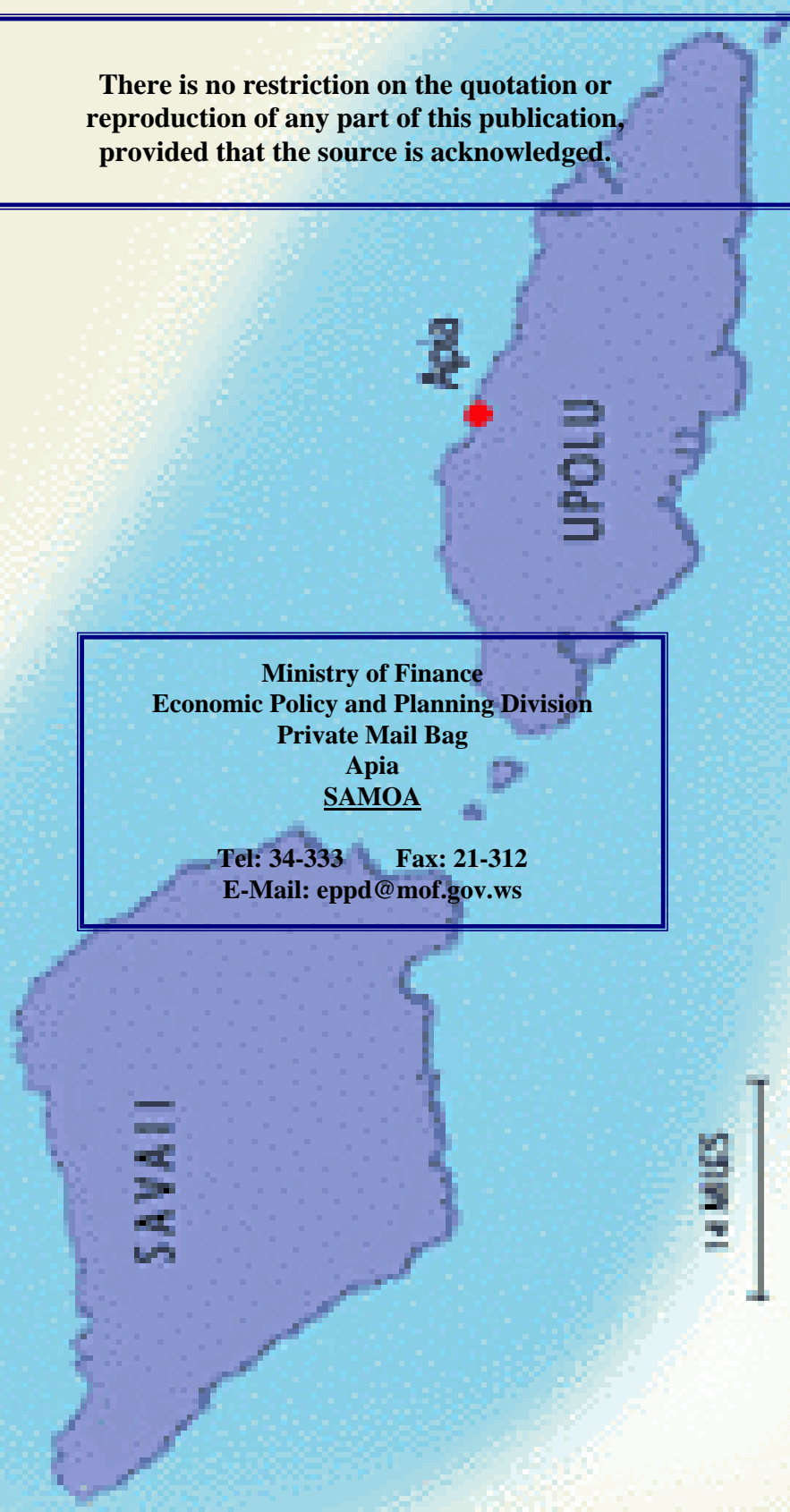


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**JANUARY 2005**

# MESSAGE FROM THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE



In line with the requirements of the Public Finance Management Act 2001, it is a great pleasure for me to present the Strategy for the Development of Samoa (SDS) for the period 2005–2007. This document clearly articulates the priority strategic areas that will guide Samoa’s development for the 2005-07 period.

This document reflects a continuation of the reform program implemented over the past SDS periods. Of greater importance, it presents clearly the key issues and concerns faced by the wider Samoan community - the issues that matter to the community and critical for achieving a better quality of life for everyone.

In support of the principles of good governance, the preparation of this document was widely consultative. It involved a number of sector consultation meetings with a wide range of stakeholders which included Church Leaders, Pulenuu, women’s committees, farmers and fishermen, non-government organisations, youth groups, tourism industry, education and health stakeholders, the business community as well as government ministries and corporations. Consultations were carried out in Savaii to facilitate participation and contribution of Savaii residents, with the final National Stakeholder Summit held in October in Upolu.

The views expressed at these consultation meetings formed the platform for the priority strategic areas highlighted in the document. On that basis, I am happy to note that this document is “widely owned” by the Samoan community.

As a result of these consultations, six broad focal areas were clearly identified as priority areas for Samoa’s development in the next three years. These include private sector development, agricultural development, tourism, community, education, and health development. It should be emphasised however that the absence of other broad development areas does not mean that they are not important. On the contrary, they are equally important but they are seen as providing a supportive role to the identified strategic areas.

The implementation of these priority strategic areas and associated activities, is expected to realise the National Vision which is:

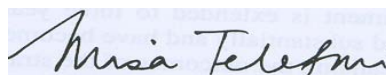
**“For every Samoan to achieve a better quality of life”**

Achieving the national vision will result in the attainment of Samoa’s Millenium Development Goal (MDG) targets. In support of that vision, the theme for the 2005-07 SDS is **“enhancing people’s choices”**. The theme underscores the national commitment to the need for every Samoan to have access to every opportunity he or she desires. Enhancing access to those opportunities is the underlying focus of the implementation strategies.

The review of the 2002-04 SDS is provided as part of the document. This is intended to provide an account of the achievements realised during that period. I am pleased to note that the review demonstrates that Samoa’s socio, economic and political development in the last three years has remained sound. Samoa continues to move forward in terms of achieving positive economic results as well as improved social indicators.

Samoa will no doubt be confronted with uncertainties in the three years ahead. External economic shocks and natural disasters will always threaten our development efforts. It is the Government’s hope that the implementation of the strategies outlined in this document will cushion the adverse impact of these shocks against the achievement of the national vision.

I commend this document to every Samoan and to all our development partners.



**Honourable Misa Telefoni**

**DEPUTY PRIME MINISTER AND MINISTER OF FINANCE**

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## GLOSSARY

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<b>ADB</b>	-	Asian Development Bank
<b>CEDAW</b>	-	Convention on the Elimination of Discrimination Against Women
<b>CRC</b>	-	Convention on the Rights of the Child
<b>CSOs</b>	-	Civil Society Organisations
<b>EC</b>	-	European Commission
<b>ECE</b>	-	Early Childhood Education
<b>EFA</b>	-	Education For All
<b>EIA</b>	-	Environment Impact Assessment
<b>EPC</b>	-	Electric Power Corporation
<b>EU</b>	-	European Union
<b>FTA</b>	-	Free Trade Agreement
<b>GDP</b>	-	Gross Domestic Product
<b>GoFar</b>	-	Government Financial and Reporting
<b>HTFA</b>	-	High Temperature Forced Air
<b>ICT</b>	-	Information, Communication and Technology
<b>ISP</b>	-	Institutional Strengthening Project
<b>JICA</b>	-	Japanese International Cooperation Assistance
<b>LLC</b>	-	Land Leasing Committee
<b>MCIL</b>	-	Ministry of Commerce, Industry and Labor
<b>MDG</b>	-	Millenium Development Goals
<b>MESC</b>	-	Ministry of Education, Sports and Culture
<b>MFAT</b>	-	Ministry of Foreign Affairs and Trade
<b>MNRE</b>	-	Ministry of Natural Resources and Environment
<b>MOA</b>	-	Ministry of Agriculture
<b>MOF</b>	-	Ministry of Finance
<b>MOH</b>	-	Ministry of Health
<b>MOR</b>	-	Ministry of Revenue
<b>MTII</b>	-	Malietao Tanumafili II
<b>MWCSD</b>	-	Ministry of Women, Community and Social Development
<b>NCD</b>	-	Non Communicable Diseases
<b>NGOs</b>	-	Non-Government Organisations
<b>NUS</b>	-	National University of Samoa
<b>PUMA</b>	-	Planning and Urban Management Agency
<b>SAME</b>	-	Samoa Manufacturers and Exporters Incorporated
<b>SASNOC</b>	-	Samoa Association of Sports and National Olympic Committee
<b>SBDP</b>	-	Small Business Development Project
<b>SBEC</b>	-	Small Business Enterprise Centre
<b>SDS</b>	-	Strategy for the Development of Samoa
<b>SIA</b>	-	Social Impact Assessment
<b>SNE</b>	-	Special Needs Education
<b>SOEs</b>	-	State Owned Enterprises
<b>SOFA</b>	-	Samoa Organic Farming Association
<b>SPG</b>	-	South Pacific Games
<b>SRO</b>	-	School Review Officers
<b>STA</b>	-	Samoa Tourism Authority
<b>TTM</b>	-	Tupua Tamasese Meaole
<b>VAGST</b>	-	Value Added Goods and Services Tax
<b>WTO</b>	-	World Trade Organisation

## Section 1

# THE VISION

## THE VISION

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Samoa has achieved significant progress as it entered the 21<sup>st</sup> century. Economic performance continued to achieve positive results and social indicators showed signs of improvement. This means the quality of life has advanced. However, a lot remains to be done and efforts towards raising the quality of life, is an unending challenge. That said, the Vision for the 2005-2007 SDS will remain focused on the achievement of:

### **Improved Quality of Life for ALL**

The achievement of the vision relies on the effective implementation of priority strategies to achieve a thriving and profitable private sector; a strong and diversified agriculture sector; a dynamic and sustainable tourism industry; a coherent, stable and entrepreneurial community; and an efficient and effective education and health services. Achieving the national vision will also result in the attainment of Samoa's MDG targets.

In support of that vision, the theme for the 2005-07 SDS is **“Enhancing People's Choices”**. The theme underscores the national commitment to the need for every Samoan to have access to every opportunity he or she desires. Enhancing access to those opportunities is the underlying focus of the priority strategies and associated activities.

## Section 2

# THE STRATEGIES AND PRIORITIES, 2005 – 2007



## I. STRENGTHENING THE PRIVATE SECTOR

### GOAL: Increased Investment to Create Employment Opportunities



*New Samoa Tel headquarters - Providing state of the art technology in ICT essential to the advancement of the private sector.*

Since the first Statement of Economic Strategy the government has continued to view the private sector as the engine for development and growth. This SDS again places great emphasis on the importance of developing the private sector. The ultimate goal for stimulating private sector investment is to create employment opportunities in addition to providing goods and services and generating a solid source of government revenue. Promoting private sector investment therefore is a key prerequisite for achieving the national vision of a better quality of life.

The broad key areas for promoting private sector investment includes continued strengthening and refinement of the Enabling Environment for private sector development and, in particular, Promoting Investment in areas where Samoa has strong comparative advantage.

### 1. STRENGTHENING THE ENABLING ENVIRONMENT

#### a. Accommodative Fiscal and Monetary Policies

The government will continue to pursue the maintenance of macroeconomic stability as a prerequisite for sustained economic growth. Fiscal policies will be geared towards maintaining fiscal discipline allowing structural changes that would boost economic growth. This approach allows flexibility for increased funding towards areas that would drive economic growth whilst containing the budget deficit at a sustainable level. Monetary policy will generally be accommodative, with the flexibility to tighten if signs of rising inflation and/or balance of payments pressures emerge. External reserves will target an import cover of around 4-6 months. The exchange rate will be closely monitored to support export competitiveness. These policy measures would lay the foundation to support private sector development.

#### **Key Macroeconomic Targets**

- i. Sustain Gross Domestic Product (GDP) growth of 3-4% per annum;
- ii. Maintain a balanced budget. A deficit of < 3.5% of GDP will be accommodated for viable investment projects;
- iii. Maintain a low and stable inflation < 3%;
- iv. Target a competitive exchange rate that supports exports; and
- v. Maintain a sustainable external balance of 4-6 months of imports.

#### b. Efficient and Effective Utility Service and Infrastructure Provision

Utility costs form a large part of business costs. Private businesses demand efficient utility services at competitive prices. Whilst utility service provision has improved over the past ten years, there remains a lot to be done to provide efficient service to support private sector development as well as serving the public. Efforts towards improved utility service in the provision of electricity, water, telecommunications, as well as supportive infrastructure in terms of road, sea and air transport; will be rigorously pursued.

**Electricity**

The Electric Power Corporation (EPC) will explore options that would achieve cost and energy efficiency. The Corporation will invest in raising generation efficiency through enhanced capacity of the Afulilo Hydro plant, high performance generators and establishing hydro-power generation in Savaii. With these investments, operational efficiency will be enhanced. The EPC Act will also be reviewed so as to encourage private sector participation in electricity generation.

**Water**

The key strategies to achieve water sector goals in the next three years include:

- Strengthening sector orientation and providing a coherent and comprehensive institutional framework for effective implementation,
- Building institutional capacity to manage, develop and sustain water supply and sanitation services,
- Improving and rehabilitating water supply systems, particularly in the more remote rural areas,
- Increasing the efficiency and effectiveness of water supply systems and service provision,
- Implementing sanitation and wastewater improvements in both urban and rural areas, and
- Providing a focal point for sustainable water resource management through strengthening water resource assessment, management and monitoring.

The on-going Rural Water Supply Consolidation Project (European Commission (EC) - financed) will consolidate benefits and impacts of new infrastructure in North West Upolu and South East Savaii by extending metered, treated, potable water to all intended beneficiaries, which is around 25% of the population. Proposed support under a Water Sector Support Programme (EC-financed) will extend health and environmental benefits by increasing access to metered treated water to over 85% of the total population and addressing inadequate sanitation provision in rural schools and community facilities. The on-going Samoa Drainage and Sanitation Project (Asian Development Bank (ADB) - financed) will bring similar benefits in the Apia urban area through improved drainage, wastewater treatment and sewerage disposal. Sector support from the EC will also ensure water services are set within a strengthened water management framework with improved sector monitoring and performance assessment. The services of the Meteorology office in strengthening the baseline hydrological data collection program as the foundation for water supply and hydropower projects will be critical for these developments.

**Electricity**

- i. Raise power generation efficiency by:
  - a. Enhancing hydro capacity in both islands, and
  - b. Investing in high performance generators; and
- ii. Review EPC Act to encourage private power generation.

**Water**

- i. Implement key strategies to achieve water sector goals;
- ii. Increase access to metered treated water to over 85% of the total population;
- iii. Improve drainage, wastewater treatment and sewerage disposal;
- iv. Strengthen water management framework with improved sector monitoring and performance assessment; and
- v. Strengthen baseline hydrological data collection program.

**Telecommunications**

- i. Increase tele-density from 16 to 25 telephone lines per 100 population;
- ii. Increase competition in the provision of cellular, internet and wireless services;
- iii. Establish a regulatory framework for better telecommunication and ICT services; and
- iv. Implement the ICT Policy.

**Transport**

- i. Widen road from Faleolo to Apia;
- ii. Complete 4-lane road from Vaitele to Malifa;
- iii. Improve shipping services to Pago Pago;
- iv. Enhance international air transport; and
- v. Establish and develop aviation meteorology in support of air transport and air space.

**Telecommunications**

Development of telecommunication services nation-wide will pursue a set target of 25 telephones per 100 population within the SDS period. Improved telephone installation will facilitate the development of

Information, Communication and Technology (ICT) throughout the country complementing developments in other sectors such as computerization in community schools. More competition in the provision of cellular service will be implemented with a new cellular operator entering the Samoan market. The Government will also be looking at regulating internet and wireless services for greater competition. With more competition the cost of telecommunication services is expected to decline. A regulatory framework will be established to ensure quality service at competitive prices. The ICT policy will also be implemented during the SDS period.

**Transport**

Improved road networks will continue to support business trade and movement of people. The Faleolo to Apia road will be widened and upgraded. A 4-lane road from Vaitele to Malifa will be completed. Inter-island shipping services will be upgraded to support more regular trips between the two islands. Shipping services to Pago Pago will be improved with the entry of new private operators providing more choice and competition. In support of tourism development and public travel, international air transport will be enhanced with more competition and a more cost effective arrangement for the national carrier. The capability of Samoa to operate air transport and to manage its air space depends on having aviation meteorology services to international standards. This will be a continuous exercise to ensure such standards will be maintained.

**c. Efficient and Effective Public Administration**

Private investment demands efficient public service delivery given the dominance of the public sector in the Samoan economy. Through the reform programme, improved changed attitudes toward service delivery has been evident. However a lot remains to be done. For better client service, all ministries will complete and implement their respective service charters against which performance will be benchmarked and monitored. Customer feedback will form part of performance monitoring and will be strongly encouraged. Planning at the sector and the ministerial levels will continue to enhance linkage with the national strategies.

<p><b>Public Administration</b></p> <ul style="list-style-type: none"> <li>i. Complete and implement service charters for all Ministries;</li> <li>ii. Encourage use of customer feedback to monitor public service performance; and</li> <li>iii. Continue planning at the sectoral and ministerial levels.</li> </ul>
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**d. Accession to Free Trade Agreements (FTAs)**

<p><b>Free Trade Agreements</b></p> <ul style="list-style-type: none"> <li>i. Analyse the consequent impact of FTAs on domestic businesses;</li> <li>ii. Continue assistance for domestic businesses such as the Structural Adjustment Facility; and</li> <li>iii. Maintain close cooperation and dialogue between MFAT, MCIL, SAME, and the Chamber of Commerce.</li> </ul>
--

Globalization presents an opportunity for Samoan businesses to compete in the global market. Whilst the benefits of free trade have been advanced, it is critical that Samoan businesses are made fully aware of the implication of the new trading environment on their operations. In that light, the impact of acceding to regional and multilateral free trade agreements on domestic businesses will be closely scrutinized to ensure that the new regime will benefit local businesses. The Structural Adjustment Facility that has been established should assist domestic businesses to adapt to this new business environment. This requires closer cooperation and dialogue between the Ministry of Foreign Affairs and Trade (MFAT), Ministry of Commerce, Industry and Labour (MCIL), Samoa Association of Manufacturer’s and Exporters (SAME) and the Chamber of Commerce through workshops to clearly identify areas of concern by the private sector and design appropriate strategies to address them.

**2. PROMOTING INVESTMENT**

Despite the many reform initiatives targeted at facilitating investment, recent studies indicate that the transaction costs of doing business in Samoa remains high. It takes seventy-three days to establish a business

in Samoa. This is very high compared to other similar economies. Bureaucratic red tape raises transaction costs of doing business. To this end, the government will be undertaking structural reforms designed to improve the investment climate, by simplifying the process for establishing a business. This will require the establishment and operationalisation of a One-Stop-Shop facility. This will involve establishing booths at a designated location to be serviced by senior staff of Ministries involved in the licensing and approval process, during dedicated days and business hours. Business licensing and registration via the internet will also be seriously explored.

Rationalisation of port fees and other charges across the public service will be reviewed with the view to reducing their impact on the transaction costs of doing business. Documentation for imports and exports as well as quarantine requirements will be simplified.

Selective incentives will be considered to encourage manufacturers to establish businesses in rural areas. Provision of credit for small business development in the rural areas, including agricultural farming, will continue. The establishment of a venture capital fund will provide credit support to medium size and large investment projects.

Supportive legislative framework and associated regulations will be enhanced through the review of current legislation considered incompatible with the objectives of the reform initiatives. This will include the review of the Companies Act (2000) and supportive regulations. The establishment and operationalisation of the Law Reform Commission will be the vehicle to advance this work.

**a. Market Access and Research**

Provision of updated market information including quarantine requirements to exporting businesses and farmers will be enhanced. For agricultural products, the Ministry of Agriculture (MOA) will establish a service to provide accurate and timely market information to farmers and exporters. The opening up of agricultural exports to New Zealand with the establishments of the Heat Treatment Forced Air (HTFA) plant provides a great opportunity to penetrate overseas markets. MOA will strengthen its monitoring and regulatory function to ensure those export opportunities are not jeopardized. For manufactured products, MCIL and the MFAT will establish an arrangement to facilitate the provision of timely and accurate information to support manufactured exports. The use of modern communication technologies to extract and disseminate information will be implemented to support the sector.

**b. Review of Tax and Tariffs**

Consistent with Samoa's accession to the World Trade Organisation (WTO) and other FTAs, taxes and tariffs will be reviewed with the view to reducing them gradually. As part of that review process, existing anomalies discriminating against manufacturing and other industries will be addressed. Procedures for Value Added Goods and Services Tax (VAGST) refunds will be reviewed with the view to minimizing the time period for processing such VAGST refunds. On the revenue side, the process for VAGST collection will be strengthened. To support the overall tax and tariff reform required for globalization, an Institutional Strengthening Program (ISP) for the Inland Revenue Section of the Ministry of Revenue (MOR) will be undertaken.

<b>Investment Promotion</b>
i. Establish and operationalise the One-Stop-Shop facility;
ii. Explore business licensing and registration via internet;
iii. Rationalize port fees and other charges;
iv. Simplify documentation for exports and imports including quarantine requirements;
v. Consider selective incentives for manufacturers to establish in rural areas;
vi. Continue to provide credit for small businesses to develop in the rural areas;
vii. Establish Venture Capital Fund for medium size and large investment projects; and
viii. Establish and operationalise the Law Reform Commission.

**c. Land for Development**

The availability of land for development purposes will be rigorously pursued. Suitable Government owned land will be made available for investment purposes without delay. On customary land the Government will look at the viability of establishing a Land Leasing Committee (LLC) to undertake discussions/negotiations with landowners for the use of their land for development purposes. Such negotiations should take account of the interests of the investors and the beneficial landowners on an equal basis. The LLC should be proactive in identifying customary lands, which are potentially viable for development purposes and advance negotiations for the lease of such land. The negotiated land could then be marketed to potential investors with the undertaking that utility services will be provided once confirmation of the investment is received. A broad review of the economic use of customary land will be carried out with the view to opening opportunities for landowners and facilitating both external and domestic investment without jeopardizing the social ownership of land.

**d. Divestment of Government Shareholding**

The privatization program will continue with the ultimate aim of reducing government involvement in areas better served by the private sector and in promoting competition. Local participation in privatized entities through the establishment of a Unit Trust will be encouraged. At the same time private monopolies will be regulated effectively.

**Market Access and Research**

- i. Enhance the provision of up to date market information:
  - a. MOA to market agricultural products, and
  - b. MCIL and MFAT to market manufactured products; and
- ii. Encourage the use of ICT to extract and disseminate market information.

**Tax and Tariffs**

- i. Reduce tariffs in compliance with FTAs;
- ii. Remove existing anomalies in the tariff structure;
- iii. Review procedures for VAGST refunds;
- iv. Strengthen VAGST collection; and
- v. Undertake ISP for the Inland Revenue section of the MOR.

**Land**

- i. Identify and market suitable government owned land for investment;
- ii. Set up a Land Leasing Committee to identify and facilitate the discussion and negotiation of customary lands for development; and
- iii. Conduct a broad review of the economic use of customary land.

**Privatisation Corporatisation Program**

- i. Complete the restructure and sale of three fully owned public bodies:
  - a. Samoa Shipping Services,
  - b. Agriculture Stores, and
  - c. Samoa Broadcasting Corporation;
- ii. Establish a Unit Trust to facilitate the sale of government shares to the general public; and
- iii. Regulate private monopolies.



## II. AGRICULTURE DEVELOPMENT

### GOAL: Accelerated Agriculture Growth



*Organic Farming - Providing that competitive edge for our traditional products.*

Agriculture remains the backbone of the Samoan economy with two-thirds of households engaged in some form of agricultural activity, a mixture of subsistence and commercial agriculture. Many wage-earning households also engage in supplementary subsistence production. Agriculture therefore plays a critical role in the development of the rural areas and in improving the livelihood of all Samoans.

Agriculture development will target increased agricultural activity for local consumption as well as commercial investment. Improved crop production, fisheries, livestock and forestry development will also be intensified to accelerate agriculture growth in the SDS period.

### 1. ENHANCING AGRICULTURAL ACTIVITY

#### a. Food Security

Food security for local consumption is a priority area, which is consistent with achieving the MDGs. Raising production of rootcrops, tree-crops, and vegetables, will be strengthened. Selective incentives will be considered to revitalise traditional crops such as taro, coconut and cocoa. This will be achieved through strong cooperative efforts between the MOA, Ministry of Women, Community and Social Development (MWCSD), village councils and the farming community. Village farm competitions will continue as an incentive for increased production. The formation of farmer associations will be encouraged. MOA support in terms of providing technical advice and disseminating information through workshops, on-the-field demonstrations and using the media will be strengthened. Alternate sources of information will be encouraged and MOA will strengthen support for community organisations and institutions that provide technical advice to farmers, such as churches, non-government organisations (NGOs), farmer associations and private businesses. More options for farmers including fish farming, honey bees and improved crop varieties, will be explored and strengthened.

#### **Food Security**

- i. Increase production of rootcrops, tree-crops and vegetables;
- ii. Consider selective incentives to revitalise traditional crops such as taro, cocoa and coconut;
- iii. Promote and encourage village farm competitions;
- iv. Encourage the formation of farmer associations;
- v. Strengthen MOA Extension Services to work together with the farming community;
- vi. Ensure the availability of farming information to all in a transparent, and user-friendly way;
- vii. Provide support to organisations that provide sound scientific and technical advice to farmers; and
- viii. Explore other options for farmers, such as fish farming, honey bees, sheep and other crop varieties.

## 2. PROMOTING COMMERCIAL INVESTMENT

### Commercial Investment

- i. Encourage large scale commercial farming;
- ii. Examine the viability of leasing available government land for nucleus plantations;
- iii. Negotiate customary land suitable for large commercial farms through the Land Leasing Committee;
- iv. Prioritize value added production and niche marketing for the development of crops, livestock, forestry and fishing;
- v. Encourage the formation of producer cooperatives or groups;
- vi. Provide assistance and technical support for farmers, fishermen, foresters, processors and exporters;
- vii. Provide appropriate infrastructure and systems to support commercial and export growth;
- viii. Provide business and marketing skills training for commercial farmers, foresters and fishers; and
- ix. Promote market-led development, supported by sound market research and information.

Large scale commercial farming will be actively promoted as a strategy to support not only increased agricultural production but also to generate employment and income in the rural communities. This would involve examining the viability of using available government land held by Samoa Trust Estates Corporation and Samoa Land Corporation to provide large volumes of product that can be used to develop profitable export markets. Customary land suitable for this purpose will also be negotiated through such a body as the Land Leasing Committee.

Ways of adding value and targeting niche markets will be given priority for support and development. Producer cooperatives or groups will be encouraged. Assistance to farmers must be aligned with support for processors and exporters to ensure that the products can flow from the farm to the market. Infrastructure development will be promoted to support commercial goals. Business and marketing skills training will be offered for commercial farmers, fishermen and foresters. All these activities will be market-led, with closely integrated marketing strategies so as to ensure availability of markets at harvesting time.

### a. Crop Production

Diversification into new high value crops, and new products with greater potential for export like vanilla, pepper, nonu and other fruit trees will be examined with support from MOA. Such support include providing information on suitability of certain crops for certain areas given climactic patterns, farming methods and techniques and planting materials. The Nafanua nursery will be strengthened to support diversification efforts. Laboratory certification will be available for food producers and agro meteorology will provide climatic data to minimize risks in developing new ventures.

Lack of access to markets due to quarantine issues is a major blockage to export growth. The new HTFA plant offers the opportunity to expand exports using new crops with the potential for developing new markets. Further processing offers employment opportunities and increases farmers' incomes. MOA's research and extension resources will be strengthened to work closely with SAME in processing and product development.

### Crop Production

- i. Develop new high value-added crops, and products;
- ii. Strengthen MOA research and advice services;
- iii. Strengthen Nafanua nursery to support diversification efforts;
- iv. Provide laboratory support to meet food quality specifications and climatic data for new ventures;
- v. Explore and expand use of the HTFA plant;
- vi. Facilitate certification of organic products;
- vii. Provide training and testing for pesticide residues;
- viii. Strengthen SOFA to work closely with MOA; and
- ix. Conduct research into down-stream processing of organic products.

A key aspect of diversification relates to organic farming. Organic Farming provides both niche marketing and environmental benefits and will be strongly promoted. Assistance will be directed at facilitating the certification and accreditation process for new entrants. Training and testing for pesticide residues will be conducted to attain the best knowledge on the benefits of organic production. The Ministry will work in

partnership with the Samoa Organic Farming Association (SOFA) on marketing efforts and down-stream processing of organic products to effectively promote organic agriculture.

## b. Fisheries Development

### Fisheries Development

- i. Implement the National Tuna Management Plan;
- ii. Increase proportion of tuna catch exported as high value fresh chilled fish;
- iii. Provide supportive infrastructure to support commercial and export growth;
- iv. Provide adequate freight space to major markets;
- v. Facilitate the timely refund of VAGST;
- vi. Examine the quota system for large fishing boats;
- vii. Monitor in-shore fisheries management through the community fisheries project;
- viii. Develop village and district aquaculture ventures for commercial domestic and export markets;
- ix. Promote village fish nurseries;
- x. Strengthen the partnership between commercial fishermen and MOA in managing fish resources; and
- xi. Improve coordination and cooperation between villages, MOA and MNRE in conserving the environment.

Fisheries remain critical for Samoa for both subsistence and exports despite the recent slump in catches. As a result, fisheries development will be intensified during the SDS period. A national Tuna Management Plan will be implemented to ensure maximum long-term return from off-shore fishing. Efforts to increase the proportion of fish catches that can be exported as high value fresh chilled fish will be promoted. This will also help increase income for the fishermen. Appropriate supportive infrastructure in terms of berthing, refueling and cooling facilities to support fish exports will be provided. Supportive services such as freight space and costs will be examined with the view to providing adequate space at competitive rates. The process for the refund of fish export related VAGST will be streamlined to cut processing time. As a management control tool, a quota system for large fishing vessels will be put in place.

In-shore fisheries management will continue to be closely monitored through the community fisheries project. Village aqua-culture farming will be promoted through a coordinated Aquaculture Industry Development Plan that looks at both subsistence and commercial opportunities. Infrastructure development in hatcheries and algal laboratories will be undertaken, and establishment of fish nurseries in the villages will be promoted. Research and market development will be carried out for tilapia, sea urchins, giant clams, mudcrabs, aquarium fish, and seaweed (limu). Closer coordination and cooperation amongst MOA, the Ministry of Natural Resources and Environment (MNRE) and village community will be enhanced through awareness raising programs to ensure sustainable fishing practices are observed.

## c. Sustainable Forestry Development

Forestry development is critical for the domestic timber market in addition to its value to the environment. Development of a community forestry program will be strongly promoted as an income generation alternative. A plan for a sustainably harvested forestry industry must be put in place and enforced, to control the overcutting of indigenous forests. Consistent with environment considerations, logging of native forests will be closely regulated. New pricing structures will ensure communities get a fair return for their logs. Reforestation through replanting of felled trees will be vigorously enforced. Nurseries will be established in villages to provide trees for community forest plantings. Forestry also offers the raw materials for a value added industry such as quality furniture making. Viability of setting up joint ventures between

### Forestry Development

- i. Develop and enforce plan on a sustainably harvested forestry industry;
- ii. Regulate the logging of native forests;
- iii. Enforce new pricing structure to reflect a fair return on the resource;
- iv. Promote community forestry planting;
- v. Establish village forestry nurseries;
- vi. Strengthen the enforcement of harvesting regulations for indigenous forest;
- vii. Conduct research into high value added quality furniture making;
- viii. Examine the viability of joint ventures between customary land owners and sawmillers; and
- ix. Examine the commercialising use of coconut timber trees.



customary landowners and sawmillers to plant and manage commercial forests will be examined. MOA will work with farmers to find viable options for removal of senile coconut trees so that they can be replaced by new higher producing varieties.

**d. Livestock Development**

- Livestock Development**
- i. Supply superior animals to improve genetics of national cattle herd;
  - ii. Conduct research and training for livestock farmers to improve quality of domestic beef;
  - iii. Investigate the viability of meat exports through the establishment of an abattoir;
  - iv. Encourage other high value added products such as bacon and ham;
  - v. Integrate sheep into the traditional farming system; and
  - vi. Examine beekeeping for export potential.

Livestock development as an import substitution strategy will be intensified. Distribution of superior cattle from government farms will continue to provide breeding stock to improve the national herd. Improvements in cattle feeding and breeding will be pursued to increase farm profitability and the size of the national herd. The importation of tropical sheep will enhance meat production for local consumption and possibly export. In this regard, the integration of sheep into the traditional farming system will be promoted. MOA will continue to provide applied research and animal husbandry advice, including proper care of animals, and treatment for diseases. Potential for other value added enterprises will be encouraged through the establishment of an abattoir and further meat processing. The abattoir is expected to improve the hygienic standard of slaughtered animals for the domestic market and export. Support for subsistence animal farming will also be provided through MOA.

Commercial scale production of pigs, eggs and poultry meat will be promoted to increase supply of local produce for the domestic market. Export potential of beekeeping products such as honey, queen bees and propolis, will be examined with particular emphasis on infrastructure development and market information.

**3. STRENGTHENING THE MINISTRY OF AGRICULTURE**

A framework for good governance to build a coherent, customer-oriented and transparent agricultural sector will be a key priority to ensure a sound foundation for achieving the strategic goal of agriculture development. This will be facilitated by the promotion of market research and access, as well as addressing urgently quarantine issues as integral parts of marketing, and improved MOA Management.

**a. Market Access and Research**

Marketing of agricultural products domestically and overseas, has been identified by farmers as a major bottleneck. Development of markets must be treated as an integral part of production strategies. Markets must be secured to ensure sustained farmers' incomes to providing an incentive for continued farming. A dedicated marketing research and information services division will be established within the MOA to provide timely market information to farmers, in terms of price, quality standards and quarantine requirements for new markets and new products. ICT technologies will be used to explore overseas markets and disseminate information to farmers.

- Market Access and Research**
- i. Establish a dedicated agriculture sector marketing, research and information services within MOA;
  - ii. Encourage effective use of ICT to explore new markets and disseminate information;
  - iii. Conduct constant awareness raising on quarantine requirements for exporting; and
  - iv. Strengthen quarantine inspections to protect farms from imported diseases.
- MOA Management**
- i. Enhance research and extension services through farmer-led programs;
  - ii. Strengthen agricultural statistics database for industry planning;
  - iii. Continue the implementation of industry supported sector plans; and
  - iv. Strengthen agricultural policy analysis and advice.

Quarantine issues have become an integral part of marketing. Compliance with quarantine requirements of export markets cannot be compromised otherwise Samoan exports run the risk of being excluded from such markets. It is therefore important that farmers receive timely and accurate information on quarantine requirements. Constant awareness raising on these requirements and changes from time to time will be undertaken through workshops and use of the media.

The threat of exotic animals, plant pests and diseases, and contraband entering the country, can adversely affect Samoa's capacity to export. Safeguarding Samoa's environment from these threats will be closely monitored through combined efforts of MOA (Quarantine) and MOR (Border Control).

Through regular dialogue, MOA will collaborate closely with farmers and the private sector to address market related problems and formulate appropriate remedial measures to overcome them.

#### **b. MOA Management**

Sound science and technology underpins the development of new initiatives in the agriculture sector. The completion of the MOA-ISP has significantly raised the capability and capacity of MOA to clearly articulate its corporate objectives and appropriate strategies to achieve those objectives. This has helped streamline the capacity required to support agricultural development. Specialist inputs and technical training will be provided to support improved research and extension services that is demanded by the sector.

MOA will continue to develop sector plans for specific agricultural industries. The current weaknesses in agricultural statistics will be addressed to improve industry planning. Industry groups established to manage the implementation of these sector plans will be supported by MOA and their recommendations translated into sound policy analysis and advice.

### III. TOURISM DEVELOPMENT

**GOAL:** *Increased Tourism Development Within a Balanced and Sustainable Framework*



*Aggie Grey's New Lagoon and Spa Resort – Accelerating tourism development in Samoa.*

Tourism has emerged as a key sector, for Samoa's development. Tourism offers great potential as a source of foreign exchange as well as creating employment and generating income in the rural areas. Renewed efforts will be directed at stimulating tourism development in terms of developing the infrastructure and aggressively marketing Samoa as a tourist destination. Tourism development however, must be advanced in a way that is consistent with and supportive of the Samoan culture and traditions. This underscores the need for wider stakeholder participation in its development. Promotion of new hotel developments and formulation of concrete marketing strategies will be intensified in pursuit of increased tourism opportunities.

#### 1. RE-FOCUSING THE MARKETING STRATEGY

##### a. Clearly-defined "Product"

The industry and Samoa Tourism Authority (STA) need to analyse and refocus its Tourism Development Plan 2002-2006 to have a concrete plan on how to market Samoa abroad. The marketing strategy in the Plan will be reviewed in the context of global and domestic challenges facing tourism. The 'product' to be marketed will remain focused on the natural hospitality of our people, environment and strong respect for the 'faa-samoa' (Samoan culture). Use of ICT and the media in marketing Samoa as a tourist destination will be strongly promoted. The value and cost effectiveness of internally focused programs such as the Teuila Festival will also be reviewed.

Better collaboration and networking amongst all stakeholders will be strongly promoted so that industry and stakeholder views are adequately taken into account in the design of all aspects of tourism development. STA will cooperate closely with the industry in attracting and in the allocation of marketing resources.

##### Marketing Strategy

- i. Complete a re-focused marketing strategy to include:
  - a. Re-defined branding and packaging of Samoa with emphasis on Our People, Our Culture and Our Environment,
  - b. Identified and targeted focused markets,
  - c. Supportive structures through STA representation abroad,
  - d. Targeted wholesalers and holiday makers,
  - e. Targeted overseas media for effective promotion, and
  - f. Effective participation at trade shows and fairs;
- ii. Encourage the effective use of ICT and media to market Samoa;
- iii. Re-examine the value and cost effectiveness of internally focused programs such as the Teuila Festival, Miss Teuila Pageant, etc; and
- iv. Maintain close cooperation between STA and the Industry in the design of marketing strategies and required resources.

## **2. DEVELOPING THE INFRASTRUCTURE**

### **a. Room Capacity**

Foreign investment in hotel development will be aggressively pursued. In addition to the Aggie Grey's Lagoon and Spa Resort, other established hotel chains will be encouraged to invest in Samoa. At the lower scale, investments in smaller hotels/motels and beach fales will also be encouraged. These investments will raise room capacity to support the expected growth in tourism.

### **b. Airline Capacity**

The challenge for the government is to ensure that airline capacity is available to support tourism growth particularly during the peak periods. Increased airline competition in the Samoan market will be encouraged. Increased private shareholding in the national airline and entry of new airlines will generate opportunities for increased airline capacity.

### **c. Land for Development**

The formation of the Land Leasing Committee for tourism investment comprising STA, Samoa Tourism Industry Association, MCIL, MWCSO, Ministry of Justice and Courts Administration and representative of the community will facilitate the leasing of traditional land for tourism purposes. LLC will be responsible for conducting negotiations with landowners to ensure a fair return to the landowners while at the same time negotiating for the needs of the investor.

### **d. Efficient and Effective Utility Services**

Hotel development demands government commitment in the provision of supportive infrastructure. Utility service provision of electricity, water, telecommunications and road access will be vigorously pursued through the existing committee in charge of this responsibility.

### **e. Selective Incentives**

Provision of selected incentives through duty relief to support hotel development will be continued. Consideration of additional incentives will be examined closely to ensure their revenue impact is minimized.

### **f. Environment Impact Assessment (EIA)**

The need for EIAs/Social Impact Assessments (SIA) for all proposed investments will be enforced to alleviate the adverse impact on the environment. The Planning and Urban Management Agency (PUMA) within MNRE will be charged with the responsibility of monitoring compliance with EIA/SIA requirements.

### **g. Supportive Tourist Industries**

Improvement to other tourist services such as handicrafts, community tours, restaurants and hospitality services will be supported through the provision of appropriate training opportunities at the Samoa Polytechnic.

#### **Infrastructure Development**

- i. Accredit all existing hotels, rooms and beds;
- ii. Encourage investment in smaller hotels/motels and beach fales;
- iii. Encourage increased airline competition in the Samoan market;
- iv. Facilitate the leasing of customary lands for tourism purposes through the Land Leasing Committee;
- v. Strengthen the Utility Provision Committee to support tourism investment;
- vi. Continue the provision of supportive incentives;
- vii. Enforce compliance with EIA/SIA; and
- viii. Provide support to supportive tourist industries such as handicraft, restaurants, etc.

### 3. DEVELOPING HUMAN RESOURCE

#### a. Awareness and Training Programs

Tourism has the potential of affecting the rural communities and villages in a negative way as seen in other countries. Consistent with the objective of balanced tourism development, the rural community must be made fully aware of the effects of tourism on their environment. To achieve that, awareness programs through village based seminars and radio programs will be conducted on a regular basis to educate the community of the benefits and costs of tourism and suggest ways of turning negative impacts into opportunities. These awareness programs will require teamwork effort by STA, community leaders and the industry to ensure that the right support is available for everyone to enjoy and realize the benefits of tourism. Incoming tourists are also required to be made fully aware of the sensitivities of Samoan traditions, her people, the environment and its limitations. In-flight videos and brochures available at the airport on arrival will be used to achieve this.

#### **Human Resource Development**

- i. Encourage awareness raising to sensitise community on the value of tourism;
- ii. Encourage use of in-flight videos to educate visitors;
- iii. Advance training programs offered by Samoa Polytechnic;
- iv. Encourage and continue the beautification of villages;
- v. Strengthen STA planning and marketing capacity; and
- vi. Strengthen and upgrade tourism statistics gathering, analysis and distribution.

The current and proposed hotel investment during the SDS period will create additional demand for skilled human resource to service the industry. To satisfy this demand, support will be provided for Samoa Polytechnic, to advance its training programs in hotel management and service areas like hospitality, tour guide, taxi drivers, etc. From the community perspective, the beautification of villages and attraction sites will continue and will emphasize the value of a green and clean environment for tourism development.

#### b. STA Management

The challenge for STA within this SDS period is to increase their marketing and planning capacity to effectively manage the dynamic development of the tourism environment, so that the benefits of tourism can be optimised. The marketing and research division of STA will be strengthened and upgraded to undertake statistics gathering, analysis and distribution including regional statistics comparisons and to disseminate information on future events well in advance.

## IV. COMMUNITY DEVELOPMENT

### GOAL: Increased Economic and Social Opportunities



*Minimising the burden of social obligations has resulted in the presentation of only one ie toga (ie sae) for a sii (customary exchange system).*

Improved economic and social welfare at the community level is a fundamental focus of the 2005-07 SDS. Creating opportunities at the community level therefore is a key outcome to be pursued over the next three years. Economic opportunities through business development and other income generating avenues will continue to be pursued. On the social side, the Samoan culture and associated social structures will continue to be nurtured and strengthened as a basis for social harmony and peace. Evidently the benefits generated through economic activities are critical for supporting community social obligations.

Community development will aim to increase village production, maintain social cohesion and harmony and law and order in the community.

### 1. INCREASING VILLAGE PRODUCTION

The development of the village economy is a key strategy for alleviating hardship. Increased village production will focus on greater agricultural production and promotion of business opportunities through the establishment of more village based businesses and services.

#### a. Agricultural Production

Increased community agriculture production is central to the need for food security. To achieve this, village agriculture competition and inspection will be implemented and enforced through the active participation of the village council and Sui o le Malo (village mayor). These efforts include crops and cattle farms, and raising domesticated animals such as pigs and poultry for subsistence consumption. Competitions and inspections will be supported by MOA's extension services. Village based farmers and farmer groups, including women and youth groups, will work closely with extension officers in sharing ideas, experiences and farming techniques that could lead to finding solutions to common problems that may hinder production.

#### Agriculture Production

- i. Encourage village agriculture competitions and inspections;
- ii. Reinvigorate the raising of domesticated animals;
- iii. Strengthen MOA extension services;
- iv. Strengthen co-ordination between farmers and MOA; and
- v. Continue awareness programmes on effective management of community fisheries and forestry resources.

Conservation and proper management of inshore fishery resources will be enforced under the authority of Alii ma Faipule (village council). The Fisheries division will work closely with the communities in providing technical support to ensure sustainable use of this resource for the benefit of the community.



The Community Forestry programme will be strongly promoted as an alternative cash crop. Technical support and advice will be provided by the Forestry Division in the areas of caring for the trees as well as explaining the benefits of forestry not only as a potential income source but also its value to the environment and community survival.

**b. Small Business Development**

**Small Business Development**

- i. Provide continued support for small scale business operations in the community through the SBDP;
- ii. Continue assistance and services provided by NGOs and CSOs in developing small business; and
- iii. Conduct effective awareness programmes on credit access and processes available.

In support of employment creation and income generation in the rural areas, small business development will be aggressively supported in these areas. Through the Small Business Development Project (SBDP) financed by ADB under the Ministry of Finance (MOF), credit will be made available within the approved framework for operators. This scheme will continue to be channeled through the Small Business Enterprise Centre (SBEC), Women in Business, Development Bank of Samoa and commercial banks. Additionally, the work of other NGOs and Civil Society Organisations (CSOs) in providing credit to micro enterprises will be encouraged.

**2. MAINTAINING SOCIAL COHERENCE AND HARMONY**

The Village Council “*Alii ma Faipule*” is recognized as the paramount hierarchy in the Samoan village structure. Their role in making decisions and maintaining law and order is critical in maintaining harmony in the villages. Recently there have been court rulings against the village authority in favour of individual rights. These have created tensions in the communities. Hence the Village Fono Act will be reviewed to address the perceived conflict between the village council authority and the right of an individual.

The Samoan culture is a unique and valuable asset and is necessary for maintaining peace and harmony in the village setting. Continued revitalization of the Samoan culture is therefore important. To support this, awareness and training programmes and better coordination between the Ministry of Education, Sports and Culture (MESC), village council, church leaders, NGOs, STA, MWCSO is central to reviving the Samoan culture at the grassroots level.

**Coherence and Harmony**

- i. Review the Village Fono Act and associated regulations;
- ii. Conduct awareness and training programmes on traditional skills and knowledge;
- iii. Improve coordination between MESC, NGO's, village council, church leaders, MWCSO and STA in reviving the Samoan culture;
- iv. Promote affordable ways to deal with social obligations through Cabinet interventions;
- v. Strengthen family values through revitalization of “*afiafi faaleaiga*”;
- vi. Strengthen co-ordination and collaboration between NGOs, the church and community leaders in maintaining social coherence and harmony in the community;
- vii. Encourage church involvement in communities where village council is non-existent (e.g. Vaitele);
- viii. Continue awareness and training programmes to raise social and economic opportunities for youths; and
- ix. Strengthen Police Service performance to maintain law and order.

Measures to minimize the burden of social obligations will be implemented through the active participation of the village council. An example of such practice relates to the presentation of only one fine mat or “*Ie sae*” for a *si'i* (or traditional exchange of gifts). Cabinet was instrumental in promoting this and more and more villages are now practising it. Cabinet is prominently placed to again take the leading role in stipulating a yardstick to limit the scale of *faaaloaloga* (or contributions).

**a. The Family Unit**

The “Family” is considered the fundamental platform that builds the basic foundation for every Samoan. The role of parents in providing moral and behavioral guidance to their children through “*Afiāfi Faaleaiga*” (evening prayers) will be revitalized. Family values will be strengthened to provide the foundation for social stability and cohesion. These will be channeled through the work of NGOs, the church and MWCSO. The role of women is seen as being essential to family and community cohesion and development, and has been specifically recognised with the introduction of women’s committee representation from all districts as a formal conduit of women’s views and concerns into government policy and decision making.

**b. The Church**

Religion has the great potential to influence the community through its many activities. This makes the church an effective vehicle through which social issues can be addressed and social norms and morals reinforced through spiritual teachings. The work of NGOs dealing with cross-cutting issues affecting peoples’ lives can be integrated into church programs. This would involve greater collaboration between NGOs, community leaders and the church to use the church as a point of intervention to raise awareness on social issues.

The role of the church is particularly critical for communities that do not have structured village councils like new residential settlements such as Vaitele Fou. In these situations, the practicing churches will be encouraged to take the leading role in integrating these communities more closely. This will form part of the terms of reference of the Sui o le Malo (village mayor) in these communities.

**c. Youth Development**

Youth is the most vulnerable group and presents the biggest risk in terms of social problems. The Youth division of MWCSO will continue to work through the church and youth groups to conduct programs and training to raise economic and social opportunities for youths. A rehabilitation centre will be completed for juvenile delinquents and young offenders so as to separate them from hardened criminals while serving sentences imposed by the courts. Opportunities for juvenile delinquents to realize their potential in a range of skills will be provided in the Centre.

**3. ENFORCING LAW AND ORDER**

Law and order is increasingly under threat as a result of economic and social pressures. The significant role of the village council in maintaining social harmony in the community has also come under threat. To maintain law and order in the community, the Police Services will be strengthened to support a “Safer Samoa”. An ISP for the Samoa Police Service is now underway to enhance the skills of police officers. Under the ISP, the Samoa Police will develop and operate formal strategic partnerships with other social sector agencies. Programs to enhance police and cross-government co-operation and collaboration will be pursued. Policing will seek to build linkages with community leadership to provide support and ownership in the prevention and control of crime to these community leaders.



## V. EDUCATION DEVELOPMENT

### **GOAL:** *Improved Student Learning Outcomes with Specific Emphasis on Raising Numeracy and Literacy Levels*



The provision of a conducive learning environment for Samoan children nation-wide will continue to be a priority in the development agenda. This environment includes community support, improved facilities, adequate materials and equipment, improved curricula and assessment practices, improved teacher quality and a supportive education management. All these need to be enhanced in the three years ahead in order to achieve higher numeracy and literacy levels.

As well, sports development is central to the achievement of the SDS theme '*enhancing people's choices*'. Sports offer both economic and social benefits, and provide an alternative career path for the youth.

### 1. STRENGTHENING COMMUNITY SUPPORT IN EDUCATION

Education starts within the home, therefore the role of parents and the community towards children's education is critical. This role will be enhanced through community awareness programs to promote the value of education and the importance of supportive education within the family. The involvement of parents in school activities will be strengthened through encouraged participation in school committees. 'Aoga a Faifeau' (church evening classes) will be revitalized to focus on basic numeracy and literacy skills and language and behaviour. Establishing homework centres at the village level to support after hours study will be encouraged. For those families who cannot afford school fees, community support through sponsored scholarships will be promoted. Efforts will also be directed at enforcing the Compulsory Education Act through a working committee involving MESC, Attorney General's Office, Police and community representatives.

#### **Community Support**

- i. Re-emphasise education in the family;
- ii. Encourage greater involvement and support of parents in children's education;
- iii. Revitalize 'aoga faifeau';
- iv. Encourage homework centers in villages;
- v. Promote community sponsorship of school fees; and
- vi. Enforce Compulsory Education Act.

### 2. IMPROVING TEACHER QUALITY

Insufficient number of teachers particularly at secondary level and the constraints to the delivery of quality education have been constantly raised as key limitations of children's learning environment. This underscores the critical need for more and suitably qualified teachers for the appropriate levels. To address this, increased support for the Faculty of Education of the National University of Samoa (NUS) will be provided. Additionally, professional development in the areas of school management and leadership for teaching staff will be provided. Specialised training in the subject areas of maths, commerce and science will be

**Teacher Quality**

- i. Promote teaching as a career;
- ii. Enforce teacher standards;
- iii. Provide support to Faculty of Education to ensure high quality of pre-service training;
- iv. Review working conditions and incentives for teachers;
- v. Establish a pool of relief teachers; and
- vi. Conduct periodic review of teacher performance through strengthening capacity of SRO.

aggressively promoted through the provision of appropriate incentives. As a catalyst for improved teacher performance, a complete review of the teaching career structure including working conditions and remuneration will be carried out with the view of making the teaching profession more attractive thus enhancing teacher retention. Support for teacher training in Special Needs Education (SNE) and Early Childhood Education (ECE) will be continued. In-Service Teacher training programs will continue and will cover amongst other areas, refresher courses on new and improved teaching methods and techniques.

A short-term supply issue arises from teachers being transferred without replacement. This is being addressed through the establishment of a pool of relief teachers. To ensure the children receive the best possible service, teacher performance will be closely monitored and reviewed. Under-performers will be considered for further appropriate training while the good achievers will be rewarded. In addition, the capacity and capability of School Review Officers (SRO) will be significantly strengthened so that the monitoring of school performance is undertaken objectively.

### 3. IMPROVING CURRICULUM AND ASSESSMENT PRACTICES

Providing appropriate and improved curricula and support materials for years 1-13 will continue through the implementation of the National Curriculum Policy Framework, curriculum statements for new subjects at the secondary level as well as the review, development and implementation of new curriculum statements and support materials for the primary level. A National Assessment Policy Framework that supports learning and recognizes achievement as described by the National Curriculum Policy Framework with clear links to the work of the Samoa Qualifications Authority will be developed and implemented. A bilingual policy will be reviewed to determine how its application affects understanding, application and retention of knowledge. Special attention will be directed at the curriculum for ECE and those with special needs. Resource materials will continue to be reviewed to ensure their relevance is maintained. New resource materials will be developed for new subjects accordingly. More reading books/materials will be developed and/or procured to facilitate reading and writing skills using a book-based approach.

**Curriculum and Assessment Practices**

- i. Implement National Curriculum Policy Framework for Years 1-13;
- ii. Review existing curriculum and develop and implement curriculum statements for primary level;
- iii. Implement curriculum statements for new subjects;
- iv. Review the Bilingual Policy;
- v. Develop and implement the National Assessment Policy Framework;
- vi. Review existing and develop new resource materials;
- vii. Promote second chance education through the development and implementation of the Non-formal Education Policy, Community Learning Centers and computers in home programs;
- viii. Implement EFA Action Plan;
- ix. Develop the Samoan Culture Policy; and
- x. Develop the National Monolingual Dictionary.

The development of Second Chance education will be seriously promoted through the development and implementation of the Non-formal Education Policy, establishment of Community Learning Centres and computers in home programs. All these developments have been incorporated in the National Education For All (EFA) Action Plan and will contribute to the realization of the EFA goals as well as the MDGs.

A Samoan Culture Policy will be developed, in cooperation with the stakeholders in the various aspects of Samoan culture such as language and literature, traditional knowledge, traditional and contemporary arts and crafts, heritage preservation and village governance. The Samoan language is enhanced and supported

through the establishment of the Samoan Language Commission as well as through the development of the National Monolingual Dictionary.

#### 4. IMPROVING TEACHING MATERIALS

Teaching materials will continue to be designed and developed to ensure applicability and user-friendliness. This requires the production of local literature that includes appropriate text and visuals, and the participation of local authors. The planned telecommunication coverage to allow access to telephone and internet connections nation-wide, will facilitate the use of ICT technology in schools as a mode for teaching. The use of the radio and television to channel education programs will continue.

##### Teaching Materials

- i. Continue support provided for appropriate teaching materials;
- ii. Encourage use of local stakeholder knowledge in the design of materials;
- iii. Encourage use of media for educational programs delivery; and
- iv. Promote use of computers and internet facilities in schools.

#### 5. IMPROVING SCHOOL FACILITIES AND EQUIPMENT

##### Facilities and Equipment

- i. Continue refurbishment of selected schools under the Education Sector Project;
- ii. Establish Resource Center for Upolu;
- iii. Provide a Mobile Library, Science and Information Technology Laboratory;
- iv. Construct and develop Museum of Samoa and the National Archives;
- v. Construct and complete new Ministry headquarters;
- vi. Enforce SNE requirements in existing and new school buildings; and
- vii. Enforce school committees' obligation in maintaining school facilities and equipment.

Work will continue towards upgrading and refurbishing school facilities earmarked for funding under the ADB-Education Sector Project Phase II. Additionally assistance will be provided through other donor-funded small grants schemes to finance schools not covered under the Education Sector Project.

A new teachers Resource Centre for Upolu will be constructed at Malifa. This will allow a centralised location for teachers in Upolu to carry out research work as well as lesson preparation. A mobile library and science laboratory will be in operation to facilitate rural outreach. The Museum of Samoa and the National Archives will also be constructed. These facilities will ensure the collection and preservation of Samoan historical material, and also enhance and support Samoan public records management, thus contributing to good governance and accountability.

The headquarters for MESC will be constructed and completed. This is expected to generate efficiency gains in terms of better coordination, networking and optimal management under one roof. Special needs education requirements will be enforced for all school buildings and school committees will be strengthened to maintain school buildings and facilities.

#### 6. STRENGTHENING THE MINISTRY OF EDUCATION

Continued improvements in the working relationship between the Ministry, church and private schools, school committees and community in the planning and implementation EFA will be pursued. The viability of establishing Year 14 or Form 7 in secondary schools to better prepare students for university will be examined. Implementation of the School Improvement Model will be continued. To better respond to the needs of the private sector and the community in general, the Samoa Qualifications Authority will be established.

In an effort to deliver NUS and Polytechnic training in a more cost effective manner, the two institutions will be merged. This is expected to enhance opportunities available for students.

Strengthening the Ministry's management and systems to improve education standards will include the implementation of the new MESC legislation, development and implementation of a service charter, monitoring and review of its Capability Plan, review of the Education Policies and Strategies 1995 - 2005 and the development of the next MESC 9-year Strategic Plan, streamlining the performance management system/performance appraisal to improve quality and sustainability of gains achieved under the ISP.

**Education Management**

- i. Strengthen consultation amongst all stakeholders in the development of education;
- ii. Examine the viability of the addition of (Form 7) or Year 14 in secondary schools;
- iii. Continue implementation of School Improvement Model;
- iv. Establish the Samoa Qualification Authority;
- v. Complete the merger of NUS and Polytechnic;
- vi. Increase Vocational/Technological Training;
- vii. Establish the Samoan Language Commission to advance the correct use and spelling of the Samoan language;
- viii. Examine ways of increasing and improving opportunities for access to Polytechnic programs; and
- ix. Review current Education Strategic Plan (1995 - 2005) and develop the 9-year MESC Strategic Plan (2006 -2014).

**7. DEVELOPING SPORTS**

**Sports Standards**

- i. Develop a National Sports Policy;
- ii. Develop sports facilities for the 2007 SPG;
- iii. Develop a framework to prepare athletes for the 2007 SPG;
- iv. Encourage participation at international sporting competitions;
- v. Provide training on Sports Management; and
- vi. Improve coordination between MESC, SASNOC, SPG Authority and individual sporting bodies.

Sports presents a great potential for income generation amongst the youth. Sports is also considered an attractive activity to occupy the youth and keep them out of trouble. Development of sports therefore has economic and social benefits. Within the next three years a National Sports Policy will be completed.

The scheduled South Pacific Games (SPG) in Apia in 2007 has placed renewed emphasis for the development of sports in Samoa. Improved sporting facilities will be completed in preparation for 2007. Athletes will also be appropriately prepared to participate in the Games. The participation of athletes at international competitions in the interim will be part of the preparatory program. Training programs for sports administrators and managers will be provided through the Samoa Polytechnic, and will complement the Sports and Fitness Diploma currently taught at the NUS. Sports development nation-wide will require close cooperation amongst MESC, Samoa Association of Sports and National Olympic Committee (SASNOC), SPG Authority, and individual sporting bodies.



## VI. HEALTH DEVELOPMENT

### GOAL: Improved Health Standards



*Efficient and Effective Health Service –  
Aiming to reduce waiting time.*

Improved health service delivery has been achieved over the past five years. However, there remains a lot of areas where attention must be directed at to ensure the community nationwide do access quality health services. These broad areas include effective preventive programmes, qualified medical personnel, improved facilities and equipment, sustainable health financing and a supportive Ministry of Health (MOH) management.

Improving the health standards for every Samoan will continue to be a priority focus for the three years ahead.

### 1. STRENGTHENING HEALTH PREVENTIVE PROGRAMS

The promotion of primary and secondary health care services will be strengthened through the effective implementation of the National Non Communicable Disease (NCD) Plan now in place. The child health and adolescent health programs will be aggressively promoted through awareness raising activities. Programmes targeting women's health, in areas such as maternity, birth complications and early cancer detection services, will be intensified. Programmes promoting early detection of prostate cancer for men and other related diseases will be designed, formulated and implemented. Programmes for filariasis, tuberculosis and leprosy will be vigorously pursued in accordance with approved policies. The promotion of the benefits of breast feeding and early detection of rheumatic fever through regular visits by medical staff to schools will be encouraged. The HIV/AIDS awareness programme will also be aggressively promoted through the National AIDS coordinating Committee in collaboration with NGOs.

#### Health Care Services

- i. Improve Primary Health Care Services through:
  - a. Continuation of Primary and Secondary prevention/treatment programs for specific NCDs,
  - b. Continuation of Child Health and Adolescent Health programs,
  - c. Continuation of the implementation of programs targeting women's health,
  - d. Designing, formulating and implementing programmes for male-related diseases, and
  - e. Continuation of the implementation and enforcement of environmental health services legislation and legal framework;
- ii. Extend immunisation programs for filariasis, leprosy, tuberculosis, polio and cough;
- iii. Continue programmes such as:
  - a. Care for the elderly,
  - b. Breast feeding,
  - c. Rheumatic Fever, and
  - d. AIDS Awareness;
- iv. Encourage effective use of media for health awareness programmes; and
- v. Encourage use of test mechanisms to monitor, review and evaluate the effectiveness of primary and public health programs.

Prevention programs for specific non-communicable diseases will be continued through more participative activities. Effective use of the media to ensure maximum impact will be undertaken. Inclusion of relevant awareness activities in the school curricula will also be undertaken.

To ensure these programs are implemented effectively, appropriate appraisal measures will be put in place to monitor their implementation. The budget review process is one vehicle to appraise performance.

## 2. DEVELOPING HUMAN RESOURCE – MEDICAL PERSONNEL

### Human Resource Plan

- i. Examine current working conditions and incentives for medical personnel;
- ii. Provide ongoing training for medical staff;
- iii. Encourage more frequent and regular visits by medical specialists;
- iv. Encourage more private practitioners serving in public hospitals;
- v. Establish a space for traditional healers in the TTM hospital; and
- vi. Continue support for the Faculty of Nursing of NUS.

The human resource plan will be reviewed and evaluated to ensure that the supply of medical personnel (doctors, nurses, paramedics, etc) is sufficient to meet the demand. The working conditions and remuneration will be reviewed to ensure that an appropriate incentives package is offered to retain medical staff. Training through attachments, conference and workshop participation will be encouraged to ensure that medical staff are kept abreast of current developments in medicine. Annual visits by medical specialists from overseas will be continued. Additionally private practitioners, specialists in particular, will be encouraged to serve in the public hospitals on a short term basis, with an attractive remuneration package, in order to address the problem of a shortage of doctors.

In support of improved integration of health service, a dedicated space in the Tupua Tamasese Meaole (TTM) Hospital will be assigned to traditional healers to offer their service to the public.

Support for the Faculty of Nursing of the NUS will be continued.

## 3. IMPROVING HEALTH FACILITIES AND EQUIPMENT

Health facilities and equipment will be upgraded to enable an efficient and effective delivery of health services. The operating theatre, maternity ward and the outpatient unit within the TTM Hospital will be refurbished to improve operational efficiency. Facilities in the Malietoa Tanumafili II (MTII) hospital at Tuasivi will be refurbished as well.

As part of the program for improved rural health facilities, the four district hospitals identified for construction or refurbishment include Poutasi, Lalomanu, Leulumoega and Safotu.

### Health Facilities

- i. Implement maintenance plans for hospital buildings and provision of adequate facilities and equipment to:
  - a. TTM Hospital (Motootua), and
  - b. MTII Hospital (Tuasivi); and
- ii. Construct/Refurbish 4 district hospitals (Poutasi, Lalomanu, Leulumoega and Safotu).

## 4. FINANCING HEALTH SERVICE

### Health Financing

- i. Assess the viability of a health insurance scheme;
- ii. Explore ways of funding the health scheme;
- iii. Implement the Overseas Treatment Policy; and
- iv. Ensure adequate support services for the dialysis facility.

The operationalisation of the proposed health insurance scheme to be co-financed by the employers and employees through the National Provident Fund will be explored. Careful consideration of the benefits, targeted beneficiaries and costs of the scheme will be closely examined.

The Overseas Treatment Policy will be reviewed and implemented with the view of putting in place proper procedures and processes to ensure cost-effectiveness of the scheme. As a cost cutting strategy, a dialysis facility will be established to allow treatment to be undertaken locally.

## 5. STRENGTHENING THE MINISTRY OF HEALTH

The capacity of senior management officers to develop policies, plans, set standards, monitor, coordinate, promote research and efficient allocation of resources for the national health services will continue to be strengthened.

The establishment of TTM National Hospital as the secondary and tertiary referral hospital, has resulted in improved service delivery. This has involved the strengthening of planning, management and resource allocation within the hospital and hence set the framework for the separation of the hospital administration from the Ministry. The new Ministry of Health Act will be approved with the relevant supporting regulations to ensure its effective enforcement. Policies on health services will be revised accordingly to reflect the changing challenges faced. Activities under the reform program and ISP will be continued in the next three years with periodic review as required. Closer coordination between MOH and all stakeholders in designing appropriate strategies for improved health service will be implemented.

### **Ministry of Health**

- i. Continue current programs such as:
  - a. Training for the Ministry's output managers,
  - b. Devolution of financial and human resource management to divisional level,
  - c. Effective management of the Ministry,
  - d. Realignment of the Ministry and Service Provision,
  - e. Approval of the New Health Act,
  - f. Revising policies on health services, and
  - g. Effective co-ordination of consultations with key health stakeholders.

## Section 3

# THE REVIEW OF THE STRATEGY FOR THE DEVELOPMENT OF SAMOA, 2002 – 2004

*“Opportunities for All”*



# I. INTRODUCTION

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The ‘*Strategy for the Development of Samoa, 2002-2004: Opportunities for All*’ is the fourth statement of Government’s development objectives and strategies since the first statement of 1996. The 2002-2004 SDS presents the following **Vision**:

*For every Samoan to enjoy an improved quality of life premised on a competitive economy with sustained economic growth, improved education, enhanced health standards and strengthened cultural and traditional values.*

The theme of the SDS, ‘*Opportunities for All*’, emphasises that realising the Vision requires widespread participation in the processes of, and benefits from, sustained economic growth and sociocultural development.

The SDS identified nine **Key Strategic Outcomes** that collectively contributed to the achievement of the Vision. These were:

- I. Stable Macroeconomic Framework;**
- II. Improved Education Standards;**
- III. Improved Health Standards;**
- IV. Improved Private Sector Development and Employment Creation;**
- V. Enhanced Agricultural Opportunities;**
- VI. Strengthened Social Structure;**
- VII. Improved Infrastructure and Services;**
- VIII. Improved Opportunities for the Tourism Industry; and**
- IX. Enhanced Public Sector Efficiency.**

This section reviews the progress to date in achieving these outcomes through implementation of a wide range of policies, strategies, programs and projects. The assessments presented are based on available socio-economic data and submissions from line ministries, public bodies and private sector organizations. In addition, a sample survey of private businesses was conducted in March-May 2004. Views expressed by respondents to this survey are summarized and presented in the subsections below. A final subsection summarises key issues relevant to the formulation of the SDS for 2005-2007.

## II. SUMMARY OF THE IMPLEMENTATION OF THE KEY STRATEGIC OUTCOMES

### I. STABLE MACROECONOMIC FRAMEWORK

Maintaining a stable macroeconomic environment involved a macroeconomic policy stance aimed at the following targets:

- i. Sustained real GDP growth of 3-4%;
- ii. A current budget surplus no less than 3.5% of GDP and an overall budget deficit of no more than 3.5% of GDP;
- iii. Annual inflation of less than 3.0%;
- iv. Foreign reserves sufficient to cover at least 4 months of imports; and
- v. Maintenance of a competitive exchange rate.



Generally, the **growth target** has been reached. Revised national accounts show that real GDP grew at the average annual rate of 4.4% between 1998 and 2003, with considerable year-to-year fluctuations. The growth rate fell from a rapid 7.1% in 2001 to 1.5% in 2002, largely because of declining primary and secondary sector production (especially in the Other Manufacturing sector). However, real GDP growth accelerated to 3.5% in 2003, with Other Manufacturing as the biggest contributor, followed by Transport and Communications, Finance and Business Services and Agriculture. On the downside, the fishing sub-sector contracted by 4.5% in 2002 and 9.9% in 2003 due to adverse climatic conditions. The outlook for 2004 is for growth in the 2-3% range, led by rapid expansion in construction and modest growth in the services sector.

Given population growth at about 0.9% per annum, real GDP growth has translated into significant growth in real income per head of population. **Real GDP per capita** grew at the average annual rate of 3.4% in the period 1998-2003, and in 2003 was \$4,871 – 3.3% above its 2001 level of \$4,719. Samoa's growth in per capita income in 2002 and 2003 compares favourably with the performance of the Pacific region, as shown in Figure 1.

The **fiscal policy target** – that the overall budget deficit should not exceed 3.5% of GDP – has been reached in each of the fiscal years 2001/02 and 2002/03 and was projected to be reached in 2003/04. An overall surplus of 2.1% of GDP was recorded in 2001/02 and a deficit of 0.6% of GDP in 2002/03. The overall deficit in 2003/04 is projected to be 1.8% of GDP. The target of running a current budget surplus of over 3.5% of GDP was not met in fiscal years 2001/02 or 2002/03, when surpluses of 1.8% and 3.0% of GDP, respectively, were recorded. However, a current budget surplus of 4.3% was projected for 2003/04. The Public Financial Management Act 2001 began to take effect in 2002-2003 (see the section on Public Sector).

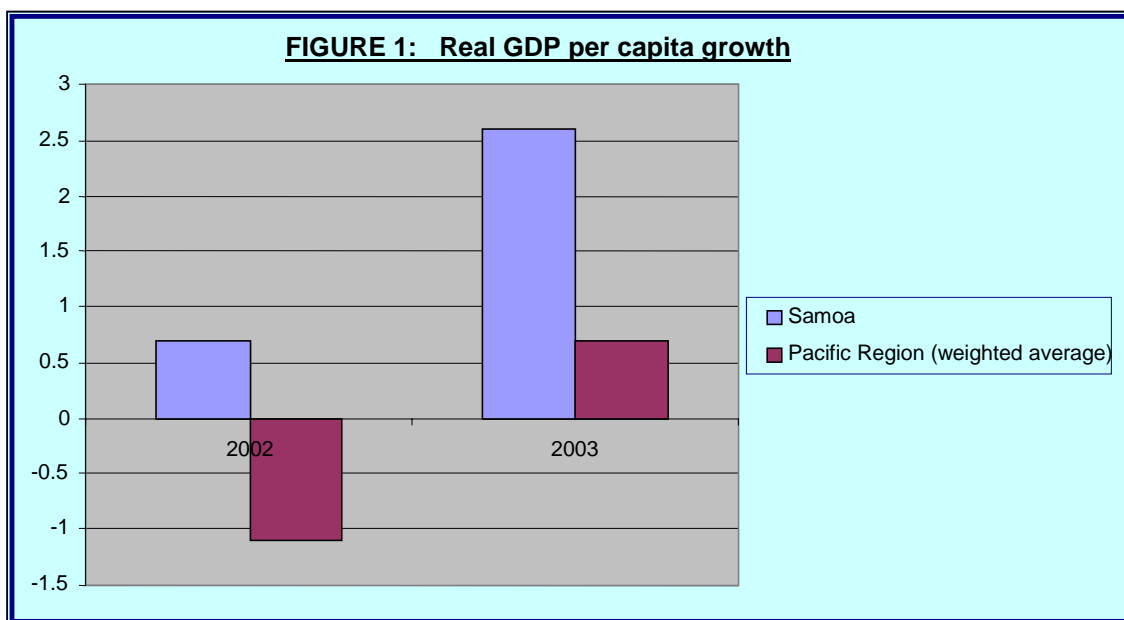
**Monetary policy** remained broadly accommodative in 2002 and 2003, with the aim of stimulating private sector growth in a manner consistent with maintenance of macroeconomic stability. The Central Bank continued its reliance on open market operations as the primary monetary policy instrument, and formulated prudential guidelines for its supervision of the National Provident Fund and the Development Bank. Pursuant to the Money Laundering Prevention Act 2000, regulations and guidelines for the prevention of money laundering were issued in December 2002 and an Insurance Bill is expected to pass into law in 2004.

The average **inflation** rate rose from 3.8% in 2001 to 8.1% in 2002 because of rising local food prices, but fell to 0.1% in 2003 as local food prices stabilised and imported goods prices fell. The outlook is for inflation to exceed the targeted rate slightly in 2004 because of rising food prices resulting from Cyclone Heta in January 2004 and higher import prices.

Prudent fiscal and monetary policies supported the maintenance of a sound external position in 2002 and 2003. **Foreign reserves** provided 4.7 months of import cover in 2002 and 6.0 months in 2003, so the external account policy target was met.

Samoa's **exchange rate** remained competitive in 2002 and 2003, with the nominal effective exchange rate index showing a slight appreciation of 1.6% and the real effective exchange rate index showing a depreciation of 3%. It is not expected that there will be an exchange rate adjustment on competitiveness grounds in 2004.

Private sector representatives and survey respondents acknowledged Government's efforts in maintaining responsible macroeconomic policies, which were conducive to employment growth. Aggregate employment increased by 2.6% between 2001 and 2003 (see Private Sector Development and Employment Creation).



**Source:** Asian Development Bank, *Asian Development Outlook 2004*, Table A2.

**Note:** The Pacific Region includes 13 Pacific Developing Member Countries of the ADB.

## II. IMPROVED EDUCATION STANDARDS

Education strategies focused on generating improvements in five areas:

- i. Teacher training standards and quality of teachers;
- ii. Curriculum and teaching materials;
- iii. Education facilities;
- iv. Coordination between private and public stakeholders; and
- v. Strengthening Department of Education management.

In-service teacher training was the primary means of improving **teacher training standards and quality of teachers** in 2002 and 2003. The provision of teacher training courses that are curriculum driven were ongoing activities. Training of teacher trainees in special needs education began in 2002.

**Curriculum and teaching materials** were improved in 2002 to mid 2004 through the implementation of a primary schools education materials project and the development of a single-stream curriculum for government secondary schools. Pluralistic bilingualism was developed using a time sharing arrangement to ensure both languages were used, this policy was now under revision.



*The planned NUS and Polytechnic merge will enhance opportunities available for students.*

**Education facilities** were improved through the implementation of an ADB-supported Education Sector Project and a facilities refurbishment program. Schools outside the ADB program have been assisted by the European Union (EU) Microprojects and the Japan International Cooperation Assistance (JICA) Grassroots scheme. All schools facilities have been reviewed, and 7 primary and 12 secondary schools have been upgraded to meet minimum facility standards, including access for students with special needs. A Resource Centre for teachers in Savaii was established and fully equipped. The planning of the merger between the National University and the Polytechnic as well as a Resource Centre for rural Upolu are work in progress.

The Latter Day Saints elementary school at Pesega closed in 2003, while a new private primary school (Samoa Primary) started operations in 2004. There has been substantial growth in the numbers of privately and Church-run preschools. Total number is 123 in 2004. All early childhood establishments must meet the published standards in order to be registered to operate by the National Council of Early Childhood Education in Samoa.

**Coordination among all stakeholders** was enhanced through regular consultations on the new MESC legislation including the Compulsory Education Amendment Act 1992/93 and others. Vocational training provided by the Polytechnic continued to aim at meeting private sector training needs in commerce, trades, and maritime services. Mission vocational centres provided second chance learning for school drop-outs.

**Strengthening Department of Education management** focused on the training of management and capacity building at divisional level. As well there has been significant improvement in existing practices, work processes, structures and systems. Nearly all school principals have been trained in school management and school committees have been strengthened to take a more active role in school affairs.

Private sector survey results showed a majority of respondents agreeing that education standards had improved, but that teacher quality and teaching facilities needed further improvement. Government's actual budget allocation to education was 22.8% of total current spending in 2000/01, 22.6% in 2001/02 and 22.3% in 2002/03. Capital spending in education funded from external grants and concessional loans was SAT12.4 million in 2000/01, or 12.0% of total capital spending; SAT10.4 million in 2001/02, or 9.4% of total capital spending; and SAT11.5 million in 2002/03, or 11.1% of total capital spending.

Achievement tests conducted at primary level indicate that achievement is declining in a number of subject areas particularly numeracy. With the help of the international donor community, the government has been able to achieve many of the objectives in the primary and secondary education strategies. Standards have been established for school and class size. In 2003, 68% of primary schools met the national standard of 30:1 student teacher ratio. In 2004, 75% of primary schools achieved this. In 2004, the secondary student teacher ratio of 20:1 was exceeded by 15% of the schools.

### III. IMPROVED HEALTH STANDARDS

Strategies in the health sector aimed at further improvements in:

- i. Primary health care and health promotion services;
- ii. Community services;
- iii. Health facilities;
- iv. The partnership with the private sector; and
- v. Strengthening Department of Health management.



Efforts to improve **primary health care and health promotion services** included the formulation of a national Non-Communicable Diseases policy and strategic plan based on data provided by the Health Information System and National Health Accounts, as well as a data-gathering STEPS survey launched in February 2004. The NCD plan was completed in June 2004. Other activities included ongoing implementation of the child health, adolescent reproductive and women's health programmes; the extended immunisation programme covering filariasis, tuberculosis and leprosy; and the breast feeding promotion, rheumatic fever and HIV/AIDS awareness programmes.

**Community services delivery** has been maintained through the ongoing operations of the Mobile Clinic and care for the elderly programme, and will be strengthened with the implementation of the NCD plan.

**Health facilities** are being improved through upgrading of the TTM national hospital, and through refurbishment of community health facilities under a Rural Capital Investment Plan. Installation of a medical waste incinerator has been completed.

The **partnership with the private sector** (including traditional healers) has continued, primarily through allowing selective use of public health facilities by the private sector, allowing private sector access to

training programs, and sharing of information. Stakeholder consultations on health legislation has occurred as part of a review process due for completion by the end of 2004. A Health Sector Strategic Plan, 2004-2009 is now completed. The Oceanic University of Medicine was established in 2002.

The **management of the Department of Health** continues to be strengthened under the Samoa Health and Health Sector Management Projects. A leadership and management development program was implemented as part of the Samoa health project. Phase I of the organizational realignment of the ministry aimed at improving efficiency through distinguishing the planning, regulatory and operational activities of the ministry was completed in July 2004. A workforce recruitment, retention and development plan has been completed as well as an ICT strategic plan. The significant upgrading of the ICT environment included upgrading of the fibre optic network, data linkages to NUS, workstation roll out and ICT training. The ICT environment is now capable of taking an upgraded Health Information System.

Health indicators show substantial improvement in the health and longevity of Samoa’s population during the 1990s. The number of public sector doctors increased in 2002 and 2003, and in these years the Government budget allocations for health absorbed 17.8% of total current spending in 2000/01, 18.8% in 2001/02 and 18.1% in 2002/03. Capital spending funded by external grants and concessional loans was SAT12.2 million, or 11.7% of total capital spending in 2000/01; SAT16.1 million in 2001/02 (14.5% of the total); and SAT14.8 million in 2002/03 (14.2% of the total). Issues of concern include the rising incidence of NCDs and the persistent shortage of nurses as given by Table 1 below.

Two-thirds of the respondents to the private sector survey felt that health standards in terms of facilities, doctors and administration had not improved. Also, there was expressed dissatisfaction regarding the lack of stakeholder consultations in health issues.

<b>Indicators</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Number of Doctors	50	55	65
Number of Nurses	328	312	328
NCDs	3,700	5,423	6,691
Diabetes E10 - E14	1,194	1,274	1,575
Hypertension I10	1,284	2,708	3,573
Coronary Heart Disease I20 - I52	715	786	976
Strokes I64	139	182	175
Cancers C00 - D48	368	473	392
Infant Mortality Rate	10.9	8.1	7.3
<b>Source:</b> Ministry of Health			

#### **IV. IMPROVED PRIVATE SECTOR DEVELOPMENT AND EMPLOYMENT CREATION**

Private sector development and employment creation are facilitated by strategies in five areas:

- i. Improving the enabling environment;
- ii. Improving infrastructure and utilities’ services;



- iii. Investment promotion and marketing;
- iv. Employment creation; and
- v. Sports development.

The enabling environment for the private sector is being continually reviewed, with tariffs reduced whenever possible, as was done in 2002 with the reduction of tariff on all goods previously attracting 10% to 8%, and tariff on all fishing boats and fishing gears similarly reduced to 5%. However there have been upward revisions to the VAGST from 10% to 12.5% and increase in excise taxes on soft drinks, alcoholic beverages, tobacco and petroleum products. These are necessary to offset reductions in tariffs elsewhere. Maintenance of macro stability however remains fundamental to this strategy for private sector growth and development.

Government pursued the outsourcing of services by restructuring Public Works Department. It will continue to review other services that can be outsourced. The Government also has taken steps to improve the commercial legal environment by drafting a new Companies Act, which is yet to be finalized. Legislation to support the establishment of an upgraded chattels registry—to facilitate loan securitization—is being drafted, and a viability study for the creation of a credit bureau has been finalized.

A Law Commission is being set up primarily to develop proposals for land reform; to discuss these proposals with the community and to prepare a report on reform of the customary land and law. The Commission will also play a critical role in promoting and coordinating stakeholder input into other legislation. The legislation to establish the Commission has been enacted and the position of the Law Commissioner advertised. Activation of this initiative will be pursued as a priority.



*Preparing the private sector as Samoa opens up to overseas competition.*

**Infrastructure services** were improved through continued public sector investment in roads, expansion of the Apia port and in telecommunications with the capacity for telephone and internet connections increasing. Expansion of the Apia Port has greatly facilitated trade and has also allowed for large cruise ships and bigger vessels to dock with ease at the wharf. Electricity supply was extended to Manono Island by submarine cable in 2003, but augmentation of the Afulilo Hydro Plant was delayed due to project design issues that remain to be resolved (See Infrastructure and Services for a more detailed review).

**Investment promotion and marketing** activities have included the re-focusing of the Trade and Investment Promotion Unit on the gathering of all information relevant to investment application and approval procedures, continued domestic distribution of market information and overseas distribution of promotional videos. An Export Guarantee Scheme has been established, and SBEC as well as NGOs such as Women in Business Incorporated have conducted special training in small business development (see Private Sector Development and Employment Creation). Samoa's ratification of the Pacific Agreement of Closer Economic Relations and Pacific Island Countries Trade Agreement came into force in 2002 and 2003 respectively, and workshops have been held to enhance awareness of the implications of our membership in these initiatives on businesses. A National Trade Facilitation Committee has been established. Workshops on the implications of accession to WTO have also been held. A structural adjustment facility was established to provide assistance to industry as a result of globalisation. STA promoted Samoa as a tourist and investment destination at two overseas events in 2002 and 2003. To date, little progress has been made with the establishment of an agency to facilitate the leasing of customary land by investors. This will be pursued vigorously during this SDS period.

In regard to **employment creation**, total formally employed population increased from 19,879 in 2001 to 20,404 in 2003. The 2.6% increase was accounted for largely by Transport and Communications, Commerce, Hotels and Restaurants and Personal Services. Employment in the primary and secondary sectors declined, reflecting the poor performance of Fishing and rising labour productivity in Other Manufacturing. The private sector thus took a leading role in job creation (see Table 2).

	<b>2001</b>	<b>2002</b>	<b>2003</b>
Primary Sector	473	446	459
Secondary Sector	5051	5439	4643
Tertiary Sector (excl. public admin.)	9254	9741	10166
Public Administration	5101	5420	5136
<b>Source:</b> Ministry of Finance			

In addition, employment creation has been encouraged through SBEC and Women in Business training in small business development in both urban and rural areas, with 145 new businesses benefiting from this assistance. Ongoing, short courses continued to be offered to the private sector in the fields of commerce, trades and maritime services.

**Sports development** has been given a significant boost with Samoa winning the bid to host the 2007 South Pacific Games. A SPG Authority has been set up to coordinate this event, which includes the building of the necessary infrastructure as well as liaising with individual sporting bodies regarding their developments. Work has commenced in building the Swimming Pool complex. Funding has been secured for upgrading the main stadium at Apia Park to increase its capacity from 15 thousand to 25 thousand seats. Sports development in schools has been strengthened and opportunities increased with the reintroduction of English cricket, softball and swimming.

The main concern raised by the private sector in its submissions and survey responses is the lack of meaningful consultation with respect to policies affecting the sector. Tax and tariff reforms generally were regarded as beneficial.

## **V. ENHANCED AGRICULTURAL OPPORTUNITIES**

Agriculture contracted in 2002 but grew at the rapid rate of 9.8% in 2003, as domestic production responded to relative price incentives. The sector made a contribution of 0.7% to the aggregate growth rate for the year of 3.5%. However, fishing continued its contraction, dropping by 4.5% in 2002 and 9.9% in 2003. Climatic conditions were unfavourable in these years, contributing to a region-wide fall in the fish catch, as well as the migratory nature of some species adding to the fall in catches.

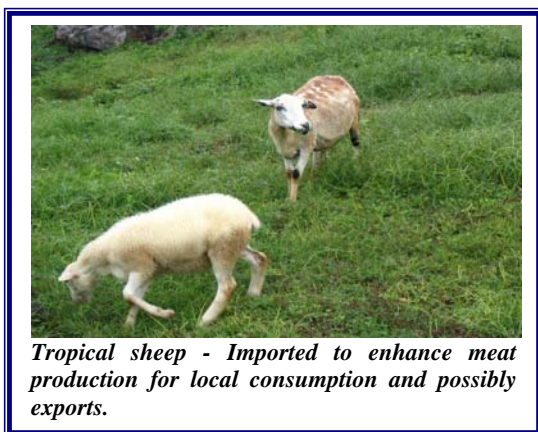
Strategies to revitalise the agriculture sector focus on conducting more farmer-oriented research and extension services, identification of markets for agricultural and fish products, and provision of better quarantine services to facilitate exports. Strategies to increase and if possible diversify production range across seven areas:

- i. Commercial agriculture;
- ii. Village and subsistence agriculture;
- iii. Commercial fisheries management;

- iv. Village and subsistence fisheries;
- v. Livestock production;
- vi. Forestry management; and
- vii. Strengthening Ministry of Agriculture, Fisheries, Forestry and Meteorology management.

In 2002 and 2003, a Food Insecurity and Vulnerability Information System was initiated as a significant step to ensuring that quality statistics on food are compiled, analysed and disseminated to all stakeholders.

In regards to **diversification of commercial agriculture**, four new taro resistant cultivars were released in 2003, a new cocoa variety was introduced, and organic product diversification occurred (e.g. coconut virgin oil, organic banana, nonu products). The value of nonu product exports increased from SAT0.9 million in 2001 to SAT2.6 million in 2003, while banana exports rose from SAT150,000 in 2001 to SAT 204,000 in 2003. The HTFA heat treatment facility for treatment of export fruit was installed and is now in operation, with its process approved by the New Zealand Ministry of Agriculture and Forestry. The latter has certified that papaya exports meet New Zealand import standards. Efforts to improve quarantine services have continued under the Samoa Quarantine Improvement project.



*Tropical sheep - Imported to enhance meat production for local consumption and possibly exports.*

Revitalisation of **village and subsistence agriculture** has been pursued through support for village competitions, encouragement of community-based market stalls, and strengthening of farmer-oriented research and extension.

**Commercial fisheries management** has been improved through the development of community management plans for inshore fisheries; enforcement of licensing, certification and safety requirements; and dissemination of marketing and catch information. However, the falling tuna catch referred to above has become a matter of managerial concern. Establishment of a marina has received favourable consideration for funding under Japan's grant aid program.

Development of **village and subsistence fisheries** has been supported by encouraging enforcement of village by-laws in the context of community management plans for inshore fisheries, continued implementation of the giant clam project, and ongoing efforts to identify areas for fish reserves.

**Livestock production** has been supported through extension services, including advice on establishment of backyard poultry farms. Cattle breeding stock was imported in 2002. Establishment of an abattoir has been delayed.

**Forestry management** has been potentially enhanced by the formulation of a Forestry Sector Plan, which is awaiting Cabinet approval. Planting of indigenous species has continued.

**Management of the Ministry** of Agriculture, Fisheries, Forestry and Meteorology has been strengthened with bilateral assistance from Australia. In the context of implementing its corporate plan and the public service realignment of 2003, management has assessed its organisational structure and performance, focusing on core functions and activities. A Policy, Planning and Communication Division has been created, which includes a Marketing Information System; and a legislative review is in progress. Regulatory enforcement is being strengthened through the introduction of performance measures. Climate database and climate

prediction are being improved with external assistance, given that meteorological services are part of the Ministry's responsibilities.

Private sector survey responses indicated a desire for effective extension and research services.

## VI. STRENGTHENED SOCIAL STRUCTURE

Samoans are proud of their strong culture and social structure, which historically have provided a safety net against absolute poverty and guaranteed personal safety. Strategies to promote family values and social harmony focus on:

- i. The role of *Alii ma Faipule* in society;
- ii. The influence of religion on personal standards and behaviour;
- iii. The role of women;
- iv. Opportunities for youth to play a greater role in society; and
- v. The role of Non-Government Organisations in social programmes.

Additionally, a comprehensive social and welfare services sector plan is currently under preparation, with contributions from all stakeholders (churches, NGOs, youth and women's groups, special needs groups). The main objective of the plan is to enhance the social welfare and life at the community level.



*Women's role in Samoan society is further strengthened with the appointment of women committee representatives from all districts.*

The **role of *Alii ma Faipule*** in society will be strengthened through the *Safer Samoa* Police project implemented under an Institutional Strengthening Program in the Ministry of Police, Prisons and Fire Services.

A meeting of all churches was initiated in early 2004 within the Convention on the Rights of the Child (CRC) programme to emphasise the importance of **religion's influence on personal values and behavior** and thus on the maintenance and promotion of social harmony in communities. Particular attention is being paid to the protection of children under 18 years as part of the Pacific Children's Program. This will be an on-going process.

The **role of women** has been strengthened through skills training under the Convention on the Elimination of Discrimination Against Women (CEDAW) and CRC implementation programmes; awareness programmes on women's rights and rights of the child, including responses to the impact of HIV/AIDS; and implementation of the Aiga Ma Nuu Manuia programme promoting active participation by women in community development. Programmes have covered both islands with emphasis on rural areas.

**Opportunities for youth** to play a greater role in society have been enhanced by Cabinet's adoption of the National Youth Policy. A draft action plan to implement the policy will be incorporated into a social and welfare services sector plan currently under preparation. A national integrated youth programme supported by the United Nations system started implementation in August 2004.

**Non-Government Organisations** have been involved in the implementation of CEDAW and CRC social programmes, and have been instrumental in providing a range of social and welfare services, including promoting suicide awareness, providing shelters for abused women as well as help lines and counseling services. Government has continued to provide financial assistance to NGOs.

Despite these interventions, there are some signs that social problems are increasing. These are the increasing number of drug-related criminal cases involving young offenders, the increasing number of victims of sexual assault and the increasing number of children selling items on Apia's streets.

## VII. IMPROVED INFRASTRUCTURE AND SERVICES

The development of infrastructure and services to concentrate on improving:

- i. Water supply quality and distribution;
- ii. Electricity generation and distribution;
- iii. Information, communication and technology services;
- iv. Road transport;
- v. Inter-island and international shipping;
- vi. Aviation;
- vii. Urban management; and
- viii. Environmental protection.

**Water supply quality and distribution** has been improved through construction of new infrastructure under the Rural Water Supply project, which was completed in 2003; chlorination of water supplies; and installation of water meters (7,225 by April 2004). The 5-year ISP in the Samoa Water Authority was completed in January 2004, and has produced a new legislative framework and an improved policy, planning and management capacity. Further EU assistance is being provided to formulate an integrated water resource management plan for the whole country. Policies and regulations for protection of water catchment areas have been formulated and jurisdiction for this task transferred to MNRE.

**Electricity generation and distribution** has been enhanced through extension of the rural electrification program to new settlement areas such as Vaitele and to Manono-tai via submarine cable; continued maintenance of generators, and upgrading of a control centre. Additionally, a feasibility study on options for 24-hour power supply to Apolima Tai was completed in 2003, suggesting a distributed solar solution was the preferred option. Augmentation of Afulilo Hydro Plant was delayed due to project design issues that remain to be resolved. The EPC underwent an organisational restructuring in order to improve performance, and is drafting a roadmap for moving to a more commercial focus. The Automatic Tariff Adjustment for fuel price increases that was approved in 2001 was implemented from 2002/03.

**Information, communication and technology services** has been one of the fastest growing sectors in the last 3 years and is the subject of new ICT policy guidelines, which constitute a framework for development of an ICT strategy and action plan. The installation of a fibre-optic backbone network and wireless local loop services for rural areas have been completed. Another internet café has been approved for Savaii, increasing the total to more than 10 internet cafés available in Samoa providing internet services. The increasing use of cellphones was evident in the introduction of additional digits in phone numbers; and prepaid phones were introduced as an option in some rural areas. Service of a second mobile operator will be tendered in early



2005. This should further enhance service while also providing competition with impact on costs to the advantage of the consumer.



Continuous work has been done to improve **road transport services** as well as seawalls under the Samoa Infrastructure Asset Management project. Completed works during this period include the roads from Leauvaa to Aleisa, Vaigaga, Lotofaga access, Fogapoa, Vaipouli, Lalomalava, Tafua-tai and Salelologa Township. The Falevao and Saleia bridges were also completed as well as the Solosolo and town area seawalls. The Road Asset Management System has been installed in the ministry, though its effective usage has been constrained by the loss of trained staff. Consistent with the privatisation strategy of government, commercially oriented activities have been outsourced to the private sector, including road routine maintenance work. However, maintenance standards need to be formulated and closely regulated.

The Apia wharf extension funded by JICA was commissioned in November 2003 and has been instrumental in improving **international shipping and inter-island services**. The commerce sector in particular has benefited from this extension. Inter-island services improved further with the vessel replacement programme and private sector participation in the provision of services, namely the Tausala Cedar and Lady Ursula between Mulifanua and Salelologa. Navigational lights have been renewed or installed in a number of locations. **Aviation services** were improved in terms of security, with the installation of security x-rays at the Faleolo airport. Safety was also enhanced with the purchasing of new fire engines. Samoa Airport Authority received an international business operations customer service award in 2004.

**Urban management** has been strengthened with the establishment of a Planning and Urban Management Agency within MNRE. The approved PUMA Act 2004 provides the regulatory framework for the sustainable development and protection of natural resources. PUMA, acting in collaboration with other agencies and the community, will formulate an urban management plan, EIA guidelines and national building regulations to reflect the EIA guidelines.

**Environment protection** has been focused on maintenance and improvement of 12 reserve areas and two national parks, and the identification of possible additional sites. Awareness programmes such as commemorative days to highlight waste management, chemical awareness, climate change and ozone protection have been continued as a means of increasing community understanding of environmental protection issues.

Responses to the private sector survey indicated that the majority thought electricity services had improved, though reliability of supply remains an issue. Responses were evenly divided on whether or not road infrastructure had improved, while a clear majority thought water supply and telephone services were better.

## VIII. IMPROVED OPPORTUNITIES FOR THE TOURISM INDUSTRY

Tourism remained a major foreign exchange earner in the period under review, with contributions of \$158.63 million in 2003 and \$152.58 million in 2002, compared with \$139.58 million in 2001 – an average annual increase of 4.4%. Tourist arrivals in 2003 totaled 92,440 up from 88,960 in 2001.

Strategies for tourism focus on enhancing:



- i. Tourism planning, development, management and infrastructure;
- ii. Marketing;
- iii. Human resource development;
- iv. Research and statistics; and
- v. Strengthening Samoa Tourism Authority management.

The focus in **tourism planning, development, management and infrastructure** has been on improving infrastructure within the context of the *Samoa Tourism Development Plan 2002-2006*. In 2002 and 2003, new hotels have been built in Apia (Treasure Garden Hotel, Moatoga Lodge and Hotel Elisa) and 85 new beach fales have been established in Upolu and Savaii. Additionally, the 140 room four-star Aggie Grey's Resort is being built near Faleolo International Airport. Apia's image has been improved as a result of the construction of side walks, gardens and the extension of the seawall from Sogi to Mulinuu. Improved networking and collaboration amongst government departments and stakeholders has led to three national clean up days. A Utility Provider Committee has been established comprising of government agencies responsible for electricity, infrastructure and communication, with the focus on improving services to the tourism sector.

Government commitment to promoting tourism development has been evident in the passage of a Tourism and Hotel Development Incentive Bill 2003, which provides for investment tax credits, hotel income tax exemptions, and import duty concessions under specified conditions. Also, Government continued to provide budgetary support to Polynesian Airlines (SAT) 19.5 million in 2003/2004).

**Marketing** has been improved with the launching of a distinct product brand – “The Treasured Islands of the South Pacific” – which emphasises Samoa's cultural uniqueness and natural beauty. To enhance marketing efforts, the Samoa Tourism Authority works collaboratively with the airlines and local tourism industry representatives, and has established the Tourism Marketing Taskforce, which promotes Samoa at overseas trade shows. Access to STA's upgraded website has been improved by the creation of mirror sites in, Australia, New Zealand and the United States.



*Beach fales are a prominent feature of Samoa's tourism industry.*

**Human resource development** efforts in the tourism sector have been focused on ensuring availability of appropriate training programs at Samoa Polytechnic and running training workshops for rural tourism businesspeople, the latter being run in collaboration with other relevant agencies (SBEC, MWCS, etc.) and covering areas such as food and menu preparation, marketing and communication skills, and safety and security. A training unit has been established to accommodate the need for training in financial and management skills, advisory services, and marketing. Also, there has been an on-going process of raising public awareness through weekly programmes on Samoa Broadcasting Corporation radio and Talofa FM.

In the area of **research and statistics**, there have been improvements in the gathering of information to aid marketing and product development, impact assessment and the development of industry performance indicators. In particular, a Visitor Survey was completed in 2003 and will be analysed in order to improve future marketing strategies.

**STA management** has continued to focus on its core functions of marketing, planning and training. A high level Steering Committee and a working group of relevant government agencies have been established to

facilitate the coordinated implementation of the tourism development plan; and the ‘Samoa Tourism Industry Association’ has been established as a means of working more effectively with the private sector (Hotels Association, tour operators, beach fale operators, taxi services, airline and rental car operators, site managers, and training providers).

Government support to tourism is acknowledged by the private sector, which is satisfied with its partnership with STA. Land issues remain a major concern, and there is an expressed need for further product development, marketing and human resource development.

## IX. ENHANCED PUBLIC SECTOR EFFICIENCY

Since government established an open dialogue and formalized a partnership with the private sector in 1996, a great deal of effort has been geared towards improving public sector performance, including public administration and state-owned enterprises. An extensive reform program has aimed at improving service delivery to the public and strengthening further the private sector’s enabling environment. The SDS 2002-2004 concentrates on:

- i. The efficiency and effectiveness of services delivery;
- ii. Financial management;
- iii. Transparency and accountability;
- iv. The corporatisation and privatisation programme;
- v. The development of statistics for policy purposes; and
- vi. Minimisation of the social costs of reforms, providing a safety net for those disadvantaged.

In 2003, the realignment of ministries from 26 departments to 14 line ministries and 5 constitutional authorities occurred. The realignment is aimed at improving the **efficiency and effectiveness of government services delivery**. The institutional strengthening program continued in the Public Service Commission, encompassing a review of a range of relevant legislation leading to a draft Public Service Bill 2004. Restructuring/redefining of line ministry core functions has been conducted through the formulation of Corporate Plans; and all ministries have developed service charters. Also, a capability planning process has commenced across ministries with a view to identifying and meeting ministries’ human resource development needs.

Steps have been taken to enforce the 2001 Public Finance Management Act, to improve **public financial management**. The budget presentation to Parliament includes the actual outturn of the previous financial year, but there has been a delay in preparing the budget in a multi-year framework involving three-year forward estimates. The transition of government accounting from a cash basis to accrual has also been delayed in order to concentrate first on training line ministry accountants as well as install a new accounting software package that can meet future needs and changes. All line ministries are now capable of connecting to the MOF network. The Government Financial and Reporting (GoFar) project has commenced within MOF, which will culminate with the devolution of certain financial responsibilities from MOF to the line ministries. These include the management and access by output managers of their respective budget allocations and review of current expenditure and current commitments. Training has been conducted so that other functions such as electronic raising and keying in of financial transactions and posting of revenues would all be possible once the GoFar project is implemented.

To enhance **transparency and accountability**, a staff code of conduct has been developed and distributed to all ministries. This code has been explicitly written into the contracts of employment for all executive levels of the public service. The Corporate Planning exercise has been extended to all public bodies, with most having completed their plans for 2002-2006. Financial accounts of most public bodies have been forwarded to MOF on a quarterly and annual basis and have then been submitted to Cabinet. Training workshops have been implemented for Boards of Directors focusing on their respective roles and responsibilities. Capacity to monitor public bodies has also been strengthened with ongoing ADB Technical Assistance within the State-Owned Enterprises Monitoring Division of MOF, which focuses on identifying core activities and community service obligations of public bodies.

In regard to the **corporatisation and privatisation programme**, Cabinet endorsed a new privatization policy at the end of 2003, and a preliminary assessment has been completed of core State Owned Enterprises (SOEs) that government would retain and those that would be either corporatized or fully privatized. Initial work has been completed and executed on divestment of minority shares in Computer Services Limited, National Pacific Insurance and Samoa Breweries. Government has also approved the restructuring of Samoa Shipping Services, Agriculture Store Corporation and Samoa Broadcasting Corporation for privatisation.



In the area of **statistical development**, the results of the 2001 Population Census have become available; a Statistical Digest of social data has been released; labor market surveys have been conducted and reports produced; and the provision and dissemination of economic statistics has been improved. National Accounts statistics have been rebased to 2002 and seasonally adjusted series of GDP estimates as well as formal employment statistics produced for the first time. The dissemination of statistics has also been enhanced with the availability of all economic statistics on both Central Bank of Samoa and Ministry of Finance websites. Development of statistics in general has been formalized and strengthened with Samoa signing up to the International Monetary Fund's General Data Dissemination System.

**Minimisation of the social costs of reforms** has involved government commitment to provision of retraining and redundancy packages where job losses have resulted from implementation of the corporatisation/privatisation programme. To date, jobs affected from streamlining the Public Works went from 450 to 50 employees in 2003. Redundancy payments were made to those who lost their jobs, while others were absorbed in two business units that were encouraged to develop and gradually phased out, particularly in quarrying and road maintenance services.

The private sector view is that there is considerable room left for improvement in public sector service delivery. In public administration, there is specific concern with poor or sluggish responses to private sector inquiries, submissions and applications for assistance.

## KEY LESSONS LEARNED

A number of key lessons emerged from the review of the SDS 2002-2004. These are presented below, in order of the SDS key strategic outcome areas.

### **Macroeconomic Framework**

Constant vigilance must be exercised to maintain the stable macroeconomic environment established in recent years through prudent fiscal and monetary policies.

### **Education**

Primary education outputs must include an increasing number of functionally literate and numerate students. This will require improvements in teacher quality, adequate resource allocations to primary education, greater parental and community involvement, reduced school dropout rates, and equitable access.

### **Health**

The incidence of lifestyle diseases is rising. Health service providers will have to meet the challenge of treating these diseases while ensuring sufficient resources are allocated to health prevention programs.

### **Private Sector Development and Employment Creation**

Further improvements are needed in the private sector business environment. Better accountability and performance of SOEs are crucial. Access to land and a better commercial legal environment are also important.

### **Agricultural Opportunities**

Ad hoc interventions are unlikely to reverse the decline in agricultural output. A comprehensive agricultural sector strategy is needed, to assess where priority focus should be, taking into account infrastructural and technical issues, including impact of taxation issues on the sector.

### **Social Structure**

Social pressures and problems are on the rise. Means of promoting family unity and empowerment of village management where necessary to promote social harmony need to be identified.

### **Infrastructure and Services**

Physical infrastructure development and improved utility services within appropriate regulatory frameworks remain fundamental to facilitating private sector development.

### **Tourism**

Tourism development is constrained by factors that generally inhibit private sector development, and also by some uncertainty over what the tourism product is and whether there is genuine public support for increased tourism.

### **Public Sector Efficiency**

There is considerable room left for improvement in the efficiency and effectiveness of public administration, as well as in the SOE sector.