TRADE, COMMERCE & MANUFACTURING

SECTOR

Annual Sector Review

2016

STEERING COMMITTEE

Annual TCM Sector Review Report 2016

THIS DOCUMENT CAPTURES THE WORK AND ACHIEVEMENTS OF THE TCM SECTOR IN CY2016

TCM SECTOR COORDINATION UNIT

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ACRONYMS

ADB	Asian Development Bank
AELM	Apprenticeship, Employment Labour Market Division of MCIL
CBS	Central Bank of Samoa
CY	calendar year
DCS	Duty Concession Scheme
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
DTIS	Diagnostic Trade Integration Study
EIF	Enhanced Integrated Framework
FTCD	Fair Trading, Codex Alimentarius Division of MCIL
FY	financial year
GDP	Gross Domestic Product
GOS	Government of Samoa
HACCP	Hazard Analysis and Critical Control Points
IDIP	Industry Development and Investment Promotion Division of MCIL
ILO	International Labour Organisation
IROSHWP	Industrial Relations, Occupational Safety and Health, Work Permits Division of MCIL
ISO	International Organisation for Standardization
MAF	Ministry of Agriculture and Fisheries
MCIL	Ministry of Commerce, Industry and Labour
MFAT	Ministry of Foreign Affairs and Trade
MFR	Ministry for Revenue
MOF	Ministry of Finance
MPMC	Ministry of Prime Minister and Cabinet
MTEF	Medium-term Expenditure Framework
NGO	Non-governmental Organisations
NPSO	National Private Sector Organisation
PHAMA	Pacific Horticultural and Agricultural Market Access
PSO	Private Sector Obligation
PSSF	Private Sector Support Facility
RCIP	Registries of Companies and Intellectual Properties Division of MCIL
SACEP	Samoa Agricultural Competitiveness Enhancement Programme
SAME	Samoa Association of Manufacturers and Exporters
SBEC	Small Business Enterprises Centre
SBS	Samoa Bureau of Statistics
SCCI	Samoa Chamber of Commerce and Industries
SDS	Strategy for the Development of Samoa (2016/17-2019/20)
SPO	Sector Policy Objective
SQA	Samoa Qualifications Authority
SROS	Scientific Research Organisation of Samoa
ST	Samoan tala
STEC	Samoa Trust Estates Corporation

SWAP	sector-wide approach to planning
TCM	Trade, Commerce and Manufacturing
TCM-CU	Trade, Commerce and Manufacturing Sector Coordination Unit
TCM-SC	Trade, Commerce and Manufacturing Sector Steering Committee
TCM-SP	Trade, Commerce and Manufacturing Sector Plan
TCM-TF	Trade, Commerce and Manufacturing Sector Task Force
TSSP	Trade Sector Support Programme
UNDP	United Nations Development Programme
WB	World Bank
WIBDI	Women in Business Development Inc.
CBOs	Community-based Organisations
MOU	Memorandum of Understanding

EXECUTIVE SUMMARY

ES1. The adoption of the Sector Wide Approach to Planning (SWAP) by Government of Samoa (GOS) in 2005 has successfully brought together government Ministries and agencies, development partners, private sector organisations, non-government organisations (NGOs) and community-based organisations (CBOs), to work collaboratively towards a common goal. In this regard, the Trade, Commerce and Manufacturing (TCM) Sector is one of the 14 Sectors determined by the Government as drivers for Samoa's development.

ES2. The TCM eventuated after the Diagnostic Trade Integration Study (DTIS) conducted in 2010 amplified, among other things, the strong links between the trade, commerce, and manufacturing sectors. The DTIS also assessed the trade context in Samoa, determining the gaps and identifying what the Government is doing to address them. The TCM Sector Plan (TCM-SP) 2012-2016, which is built upon the DTIS, is the driving force for Key Outcomes 3 and 5 of the SDS, respectively being: 'Revitalised Exports'; and 'Enabling Environment for Business Development'.

ES3. The immediate governing body for the TCM-SP is the TCM Steering Committee (TCM-SC) which is made up of 18 government agencies and five private sector organisations, and is mandated to strategically oversee the implementation of the TCM-SP. The TCM-SC is also adjusted to perform the functions of the Integrated Framework National Steering Committee and the National Export Strategy Steering Committee. Moreover, the TCM-CU is mandated to coordinate and monitor the execution of the TCM-SP and to serve as Secretariat of its governing bodies.

ES4. The Sector mobilised with two sources of funding: donor funding (Enhanced Integrated Framework (EIF)); and government funding. Samoa went into an MOU with EIF in 2012 where development funds were provided to enhance the institutional capacity of the sector (Tier 1). Furthermore, the TSSP under the EIF Tier 2 window was submitted in December 2013 and commenced implementation in 2014. The TSSP focuses on providing resources for attaining medium to long term goals in the trade sector with components addressing sector policy and governance, manufacturing and linkages to other economic sectors, private sector development and foreign trade.

ES5. With reference to the MTEF figures, the Sector envisaged to spend ST$31,337,124.50 for implementing Sector initiatives in CY2016. This is comprised of ST$18,541,242.50 under the re-current budget and ST$12,795,882.00 from development funds. The actual spending for the Sector under the recurrent budget for CY2016 amounts to ST$17,592,765.50. The actual spending for the EIF projects (Tier 1 and Tier 2) for CY2016 is US$1,134,829.73.

ES6. In taking action to be continuously responsive to the changing nature of the TCM Sector, a Pillar-approach was used to streamline the activities of the TCM-SP to be more direct and precise in implementation. In light of this, the TCM-SP mobilised through four pillars, which are: Industrial Supply and Productivity; Processing and Value Addition; Market Access; and Sector Support and Planning Framework.

ES7. Pillar One entails the boosting of productivity level in Samoa to sufficiently service existing markets, and also compete in other international markets. With regards to services it is envisaged to increase certification and accreditation in order to capitalise on the international demand. Pillar two of the sector *'Processing and value-addition'* aims to enhance the manufacturing sector and boost value-addition of locally available resources. This is turn strengthens the link between the agricultural sector and manufacturing sector for commodities. Value-addition for Services is targeted through numerous mechanisms, relevant to the Sector's work are the technical and vocation education training (TVET) programmes such as the Apprenticeship scheme. Other value-addition for services are captured under the work of the Education Sector and the national Education institutions.

ES8. Pillar three of the sector is '*Market Access*' and it aims to enhance the effectiveness of market mechanisms and the growth of commercial activities and create a level playing field for all in the domestic market. It also aims to boost Samoa's capacity to engage in, and reap the gains from trade through enhancing competitiveness, reducing the trade deficit to sustainable levels and promoting exports. Pillar four of the sector is *'Sector Support and Planning Framework'* and is basically the work and operations of the TCM-CU, and other TCM stakeholders that are carried out to support the SDS aspirations of 'Increasing Exports' and 'Developing the Private Sector'.

ES9. The Sector continues to face challenges that are inherent to any Government initiative and project. These include, but are not limited to: legislative constraints, capacity constraints, project procurement challenges, and delayed implementation. The overarching challenge for the Sector at the national level is the deficit trade balance, in which a significant amount of the Sector's work is targeted towards addressing.

ES10. Nonetheless, it is expected for the work carried out by the Sector to decrease the trade deficit, through increasing exports, and decreasing imports by increased import substitution, as well as promoting a business enabling environment and further develop the Private Sector of Samoa.

INTRODUCTION

1. The adoption of the SWAP by GOS in 2005 has successfully brought together government Ministries and agencies, development partners, private sector organisations, NGOs and CBOs to work collaboratively towards a common goal. This approach is further justified by the four collective pillars of the Strategy for the Development of Samoa (SDS) 2012-2016: Economic, Social, Infrastructure, and Environment. In light of this, the SDS provides the overarching framework where sector initiatives are hinged upon and geared towards "An improved quality of life for all".

2. The TCM Sector eventuated after the DTIS conducted in 2010 amplified, among other things, the strong links between the trade, commerce, and manufacturing sectors. The DTIS also assessed the trade context in Samoa, determining the gaps and identifying what the Government is doing to address them. Moreover, the DTIS was used to secure funding from the Enhanced Integrated Framework (EIF) which accelerated the institutional establishment of the Sector bodies (Steering Committee and Coordination Unit). The TCM-SP 2012-2016, which is built upon the DTIS, is the driving force for Key Outcomes 3 and 5 of the SDS, respectively being: 'Revitalised Exports'; and 'Enabling Environment for Business Development'.

SECTOR DEVELOPMENT

3. Initially, the TCM-SP stipulated activities under six Sector Policy Objectives (SPOs) which are:
    - i. Strengthen sector policy, legal, regulatory and strategic planning;
    - ii. Enhance the enabling environment for the private sector as the main engine for economic growth and enhance its productivity, value adding and trade capacity;
    - iii. Enhance the effectiveness of market and the growth of commercial activities and create a level playing field for all in the domestic market;
    - iv. Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export;
    - v. Create a conducive environment for industrial development and boost the manufacturing sector in Samoa; and
    - vi. Enhance linkages and spill-overs among productive sectors.

    The activities stipulated under these SPOs were further divided into short-term, medium-term, and long-term initiatives.

4. A capacity assessment mission was carried out by the United Nations Development Programme (UNDP) in 2013 where it was foreseen, among other things that the best way forward for the sector is to group the six SPOs into five pillars, to streamline and simplify the implementation of the plan. Hence, the five pillars were:
    - i. Pillar 0 – Sector Coordination and Support – covering SPO 1
    - ii. Pillar 1 – Private sector development – covering SPO 2
    - iii. Pillar 2 – Domestic trade and market regulation – covering SPO 3
    - iv. Pillar 3 – Foreign Trade – covering SPO 4
    - v. Pillar 4 – Manufacturing and linkages – covering SPOs 5 and 6

5. The sector subsequently commissioned a Medium Term Expenditure Framework (MTEF) exercise in 2014 to develop a three-year rolling budget for the sector. In this exercise, the Pillar approach was further refined to institute a value-chain approach. Table 1 presents the revised pillars for the sector under the MTEF scope.

Table 1: TCM MTEF Scope

Refined Sector Pillars	SPOs	Sector Outputs	Ministry Budget Output & Expenditure Type
Pillar 1: Industry Supply and Productivity	SPO 2 – Enhance the enabling environment for the private sector as the main engine for economic growth and enhance its productivity, value adding and trade capacity	1.1 Improved productivity of key industries 1.2 Consistent quality and quantity of primary sector supply	**A. Recurrent** • MAF Output 4: Crops, Research, Commercial Development &Advisory Services • MAF Output 5: Animal Production, Health and Research Services • MAF Output 6: Fisheries Management, Planning and Research Services • MCIL Output 5: Administration of Apprenticeship and Employment Services • SROS Output 3: Plant & Food Research and Development **B. Development Expenditure** • Samoa Agricultural Competitiveness Enhancement Programme(SACEP) • Pacific Horticultural and Agricultural Market Access(PHAMA) • Enhanced Integrated Framework (EIF) Tier 2: Trade Sector Support Programme (TSSP) Component 4
Pillar 2: Processing and Value-adding	SPO 3 – Enhance the effectiveness of market and the growth of commercial activities and create a level playing field for all in the domestic market; SPO 5 – Create a conducive environment for industrial development and boost the manufacturing sector in Samoa;	2.1 Increased number of value-added products 2.2 Improved quality assurance standards for key processing industries 2.3 Established quality standards for key services	**A. Recurrent** • MCIL Output 4: Enforcement of Fair Trading and Codex Development • MCIL Output 6: Enforcement of Labour Standards • MCIL Output 7: Enforcement of Occupational, Safety and Health Standards

Refined Sector Pillars	SPOs	Sector Outputs	Ministry Budget Output & Expenditure Type
			• SROS Output 4: Industrial Product Development Services • SROS Output 5: Commercial Technical Services **B. Development Expenditure** • EIF Tier 2: TSSP Component 4
Pillar 3: Market Access	SPO 4 – Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export	3.1 Reduced cost of doing business 3.2 Improved access to various private sector support schemes 3.3 Improved balance of trade on goods 3.4 Increased labour mobility in foreign markets	**A. Recurrent** • MCIL Output 3: Management of Investment Promotion & Industry Development • MFAT Output 5: Trade Development and Promotions • MfR Output 7: Trade Facilitation • MAF Output 3: Agricultural Quarantine and Regulation Services **B. Development Expenditure** • EIF Tier 2: TSSP Component 2 • Private Sector Support Facility (PSSF) • Asian Development Bank (ADB) Private Sector Development
Pillar 4 Sector Coordination and Support	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning SPO 6 – Enhance linkages and spill-overs among productive sectors.	4.1 A coherent sector planning and policy formulation developed 4.2 Accurate and timely sector statistics for sector planning and policy formulation 4.3 Strengthened institutional capacity of key sector implementing agencies 4.4 Sector recognition and integration of cross-cutting issues like climate change resilience and Sustainable Development Goals (SDGs)	**A. Recurrent** • MCIL Output 1: Policy Advice to the Minister • MCIL Output 2: Ministerial Support • MCIL Output 6: Enforcement of Labour Standards • MCIL Output 7: Enforcement of Occupational, Safety and Health Standards • MCIL Output 8: Management of the Registries of Companies, Intellectual Properties • SBS Output 2: Compilation of Economic Statistics • SBS Output 3: Compilation of Finance Statistics **B. Development Expenditure**

Refined Sector Pillars	SPOs	Sector Outputs	Ministry Budget Output & Expenditure Type
			• EIF Tier 1 • EIF Tier 2: TSSP Components 1 & 3, Contingency

PRIORITIES AND STRATEGIES

6. The TCM Sector together with implementing agencies is the driving force for the SDS initiatives of 'Revitalising exports' and 'Enabling business environment' under the economic sector. In this connection, the TCM sector envisions "Maximising gains from domestic and foreign trade and enhance productivity, income generation opportunities and equitable sustainable livelihoods for all Samoans". Moreover, the overarching themes for the sector are 'Productivity, value-adding, competitiveness, income generation and fair trade'. Table 2 presents the TCM Sector logical framework detailing the sector priorities and strategies.

Table 2: TCM-SP 2012-2016 Logical Framework

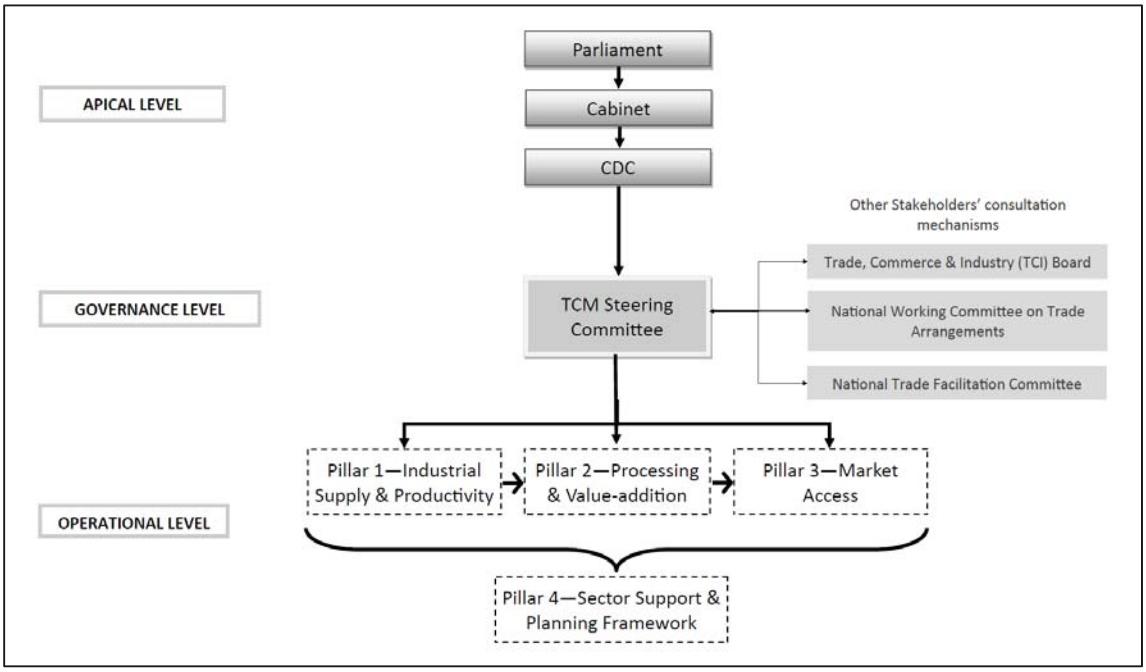
Sector Vision	Maximise gains from domestic and foreign trade and enhance productivity, income generation opportunities and sustainable livelihoods for all Samoans		
Sector Theme	Productivity, value-adding, competitiveness, income generation and fair trade		
Overarching Development Outcomes	i. Improved quality of life for all Samoans ii. Enhanced sector's contribution to inclusive, stable and balanced economic growth iii. Enabling environment for the private sector as the main engine for economic growth iv. Enhanced sector's contribution to broadening and diversifying the Samoan economic base v. Enhanced sector's contribution to the augmentation of economic and social resilience vi. Enhanced sector's contribution to sustainable development and the achievement of the MDGs, particularly employment generation and poverty reduction.		
Pillar	**Sector Policy Objective**	**TCM-SP Targeted Outputs**	**Sector Performance/ Outcome Indicators**
1. Industry Supply and Productivity	SPO1.1. Enhance the enabling environment for the private sector as the main engine for economic growth and enhance its productivity, value adding and trade capacity (previously SPO2)	1.1 Improved productivity of key industries 1.2 Consistent quality and quantity of primary sector supply	1.1 WB cost of doing business and business environment indicators 1.2 Percentage contribution of agriculture sector in GDP account 1.3. Share and value of primary agricultural produces in total exports 1.4 Employment rate and population disaggregated by level of education and work experience

2. Processing and Value-adding	SPO2.1. Enhance the effectiveness of market and the growth of commercial activities and create a level playing field for all in the domestic market (Previously SPO3); SPO2.2. Create a conducive environment for industrial development and boost the manufacturing sector in Samoa (Previously SPO5)	2.1 Increased number of value-added products 2.2 Improved quality assurance standards for key processing industries 2.3 Established quality standards for key services	2.1 Percentage contribution of manufacturing sector in GDP account 2.2 Share and value of value-added goods in total exports
3. Market Access	SPO3.1. Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export (Previously SPO4)	3.1 Reduced cost of doing business 3.2 Improved access to various private sector support schemes 3.3 Improved balance of trade on goods 3.4 Increased labour mobility in foreign markets	3.1 Balance of trade in goods 3.2 Balance of trade in services 3.3 Utilisation rate of regional and international trade agreements. 3.4 Value of revenue forgone by government for providing private sector assistance schemes
4. Sector Support and Planning Framework	SPO4.1. Strengthen sector policy, legal, regulatory and strategic planning (Previously SPO1) SPO4.2. Enhance linkages and spill-overs among productive sectors (Previously SPO6)	4.1 A coherent sector planning and policy formulation developed 4.2 Accurate and timely sector statistics for sector planning and policy formulation 4.3 Strengthened institutional capacity of key sector implementing agencies 4.4 Sector recognition and integration of cross-cutting issues like climate change resilience and Sustainable Development Goals (SDGs)	4.1 Sector M&E and MTEF are operationalized 4.2 Availability of up-to-date and reliable sector statistics

SECTOR GOVERNANCE FRAMEWORK

7. The need for a sustainably effective sector-wide coordination framework is pertinent to accommodate the requirements of taking a SWAP. There should also be a foothold of the sector in the economy-wide setting and from this understanding institute the need for the sector and the relevance of the SWAP. In this regard, the following Figure 2 captures the Sector Governance Framework:

Figure 1: Sector Governance Framework



8. The TCM-SP necessitates that government, private sector and development partners adopt a programme-based approach, rather than project-based approach, to delivering support to the sector. This approach is also more comparable to the SWAP. Therefore, the TCM-SP rightfully underscores the importance of inclusiveness in implementation and coordination. Hence, in ensuring an orderly implementation, it features specific institutional arrangements, like the TCM Steering Committee (TCM-SC) and the Coordination Unit (TCM-CU), which were established in 2012.

9. The TCM-SC, made up of 18 government agencies and five private sector organisations, strategically oversees the implementation of the TCM-SP. The TCM-SC is also adjusted to perform the functions of the Integrated Framework National Steering Committee. Furthermore, there was previously the TCM Task Force (TCM-TF) established to follow through TCM-SC strategic decisions and to directly supervise the work of the TCM-CU. The understanding for the TCM-SC and TCM-TF was that the TCM-SC is at the CEO level and the TCM-TF at the ACEO level. However, it was later discovered that the same representation was present in both seating.

10. Moreover, the TCM-CU is mandated to coordinate and monitor the execution of the TCM-SP and to serve as Secretariat of its governing bodies. The TCM-CU for the sector established under MCIL is capacitated with a Sector Coordinator, a Principal Monitoring and Evaluation (M&E) Officer, Principal and Senior Finance Officers and two Senior TCM Officers.

Policy and Regulatory Framework

11. The TCM Sector has a wide Policy and Regulatory Framework which covers the wide mandate of business laws, international signatories, and other Regulatory roles and obligations:

Table 3: Policy and Regulatory Framework

Policy Type	Description
Legislation	▪ Apprenticeship Act 2014 ▪ Apprenticeship Regulations 2014 ▪ Charitable Trusts Act 1965 ▪ Citizenship by Investment Act 2015 ▪ Companies Act 2001 ▪ Companies Regulations 2008 ▪ Consumer Information Act 1989 ▪ Cooperatives Societies Ordinance 1952 ▪ Cooperatives Societies Regulations 1954 ▪ Copyright Act 1998 ▪ Credit Union Ordinance 1960 ▪ Customs Act 2014 ▪ Customs Tariff Act 1975 ▪ Daylight Saving Act 2009 ▪ Fair Trading (Approved Egg Standards) Regulations 2010 ▪ Fair Trading Act 1998 ▪ Foreign Investment Act 2000 ▪ Foreign Investment Amendment Act 2015 ▪ Foreign Investment Regulations 2011 ▪ Immigration Act 2004, amendments and regulations ▪ Income Tax Act 2012 ▪ Incorporated Societies Ordinance 1952 ▪ Incorporated Societies Regulations 1973 ▪ Intellectual Property Act 2011 ▪ International Date Line 2011 ▪ Labour and Employment Regulations 2015 ▪ Labour and Employment Relations Act 2013 ▪ Metrology Act 2015 ▪ Occupational Safety and Health Act 2002 ▪ Occupational Safety and Health Regulations 2014 ▪ Personal Property Securities Act 2013 ▪ Public Holidays Act 2008 ▪ Receiverships Act 2006 ▪ Securities Act 2006 ▪ Tax Administration Act 2012 ▪ Trade Commerce and Industry Act 1990 ▪ Transitional Provision Act 2006
International Laws	▪ Codex Alimentarius Commission - Food Standards - Food Labelling - Toy Safety Standards ▪ Consumer International - World Consumer Rights Day - Consumer Rights and Consumer Protection - Consumer Information ▪ International Labour Organisation ILO Conventions - C029 Forced Labour Convention 1930 - C087 Freedom of Association and protection of rights to organize convention 1948

Policy Type	Description
	- CO98 – right to organise and collective bargaining convention 1949 - C100 – equal remuneration convention 1951 - C105 – abolition of Forced labour convention 1957 - C111 – discrimination (employment and occupation) convention 1958 - C138 – minimum age convention 1973 - C182 – worst forms of child labour convention 1999 - MLC – maritime labour convention 2006 - Privileges and immunities convention 1948 ▪ United Nations Industrial Development Organization - Industry Developments ▪ World Intellectual Property Organization - 1967 Convention Establishing World Intellectual Property Organisation - 1954 Convention for the Protection of Cultural Property in the Event of Armed Conflict - Hague Convention Abolishing the Requirement of Legislation for Foreign Public Documents - 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property - 1971 BERNE Convention for the Protection of Literary and Artistic Works - Paris Convention for the Protection of Industrial Property ▪ World Agencies for Investment Promotion Agencies - Investment Promotion Agencies ▪ Pacific African Caribbean Pacific – European Union - Economic Partnership Agreement – ongoing ▪ PACER PLUS and PICTA - Trade in Goods - Trade in Services - Investment Chapter - Temporary Movement of Natural Persons ▪ World Trade Organization
Other Regulatory Roles	▪ Strategy for the Development of Samoa 2012-2016 – Priority Area 1**: Key Outcome 3 Revitalized exports** and **Key Outcome 5: Enabling Environment for Business Development** ▪ Trade Commerce and Manufacturing Sector Plan 2012-2016, ▪ Ministerial and Departmental Arrangements Act 2003, ▪ Public Finance Management Act 2001, amendments, regulations, manuals and instructions, ▪ Public Bodies (Performance and Accountability) Act 2001 and, ▪ Public Service Act 2004, amendments, regulations and instructions
Legislated Committees	▪ Apprenticeship Council ▪ Trade Commerce and Industry Board ▪ Samoa National Codex Committee ▪ Prices Control Board, ▪ Samoa National Tripartite Forum ▪ Trade, Commerce and Manufacturing Sector Steering Committee
Other Affiliations	▪ Accident Compensation Corporation (ACC) Board ▪ Agriculture Sector Plan – Steering Committee & Working Groups (MAF)

Policy Type	Description
	▪ Disaster Advisory Committee – (MNRE DMO) ▪ Convention on Elimination of Discrimination Against Women (CEDAW-MWCSD), ▪ Climate Change committee (MNRE) ▪ Commercial Fisheries Management Advisory Committee (CF- MAC - MAF) ▪ Environment Sector Steering Committee (MNRE) ▪ Fire Emergency Service Committee (FESA) ▪ Forestry Board (MAF) ▪ Investment Committee (MOF) ▪ Livestock – Management Advisory Committee (L-MAC – MAF) ▪ National Disaster Management Committee (MNRE) ▪ National Energy Committee (MOF) ▪ National Heritage Committee – (MESC) ▪ National Revenue Board (MOF) ▪ National Tobacco Control Committee (MOH) ▪ National University of Samoa (NUS) ▪ National Working Committee on Trade Agreements (MFAT) ▪ Ozone committee (MNRE) ▪ Pesticides and Pollutant Committee (MNRE) ▪ Petroleum Taskforce Committee (MOF) ▪ Samoa Market Access Working Group – Pacific Horticultural & Agricultural Market Access (PHAMA) (MAF) ▪ Post-Secondary Education training (PSET) Committee, ▪ SACEP – Agriculture (MAF) ▪ Samoa Bureau of Statistics (SBS) Steering Committee ▪ Samoa National Youth Forum (MWCSD) ▪ Samoa Qualification Authority (SQA)Board ▪ Small Business Enterprises Centre (SBEC) ▪ Tourism Cyclone Recovery Programme (STA) ▪ Trade Advisory panel (SQA) ▪ Traditional Knowledge committee (SQA) ▪ TVET Implementation Committee (MESC)

Institutional Setting

12. The TCM Sector has 10 Implementing Agencies (IAs) carrying out sector initiatives: six Government Ministries/Agencies; 2 public bodies; and 2 private sector organisations. These organisations and their respective roles are presented in Table 3 below.

Table 4: TCM Sector Implementing Agencies

IAs	ROLES AND RESPONSIBILITIES
Government Ministries/Agencies	
Ministry of Commerce, Industry & Labour (MCIL)	MCIL has a broad mandate with responsibilities ranging from industry development and investment promotion, registration of companies and intellectual properties, fair trading, industrial relations and employment conditions, and labour market information collection and dissemination. The Ministry also houses the TCM Sector Coordination Unit. Moreover, MCIL is the bridge between government and the private sector, and they are the leading agency for promoting private sector development and creating an enabling operating environment for businesses.

IAs	ROLES AND RESPONSIBILITIES
Ministry of Foreign Affairs and Trade (MFAT)	The core mandate of the Trade Division of MFAT is trade policy development, trade negotiations, and export facilitation and promotion. At the operational level MFAT is responsible for formulating, negotiating and implementing the national trade policy. Furthermore, MFAT is the main channel of communication with other governments and administers foreign affairs and trade relations with other nations as well as policy advice and representation activities.
Ministry of Agriculture and Fisheries (MAF)	MAF has an enormous and challenging task given the importance of revitalising the agriculture sector. The Agriculture Sector has also been established with policies and strategies targeting supply side, institutional arrangements, quarantine and market access, as well as nominating and promoting more climate resilient crops. MAF and the Agriculture Sector are also very driven to explore opportunities for import substitution.
Ministry for Revenue (MfR)	MfR plays a key role in facilitating trade given their capacity to issue business licenses, implement the tariff structure, assist in tax lodgements, and participate in overseeing selective tax incentives provided to enable the business environment. The Customs section of MfR is also the focal point for border control as well as facilitating the movement of goods.
Samoa Bureau of Statistics (SBS)	The goal of SBS is to "provide high quality statistics concerning factors affecting the Samoan economy, government and population". Its long term objectives are to ensure the "integrity and timely provision of official statistical information as well as the maintenance of a well-managed registry to ensure the integrity of Births, Deaths and Marriages". In this connection, they play a key role under the TSSP which is to undertake the national business activity survey to inform the TCM sector monitoring and evaluation mechanisms under Component 2.
Central Bank of Samoa (CBS)	CBS undertakes the formulation and implementation of monetary policy and related measures, which include open market operations in Central Bank Securities to influence the level of interest rates and the availability of credit, as well as collating and analysing data for the balance of payments. Its key role under the TSSP was to assist with the establishment of baseline data for trade in services under Component 3.
Public Bodies	
Samoa Trust Estates Corporation (STEC)	STEC was restructured as a privatised corporation in 1990 to divest interests in certain lands; to make provision for the reduction of debts due by it to the government. STEC is mandated to manage reparation estates formerly under New Zealand administration. It is a self-sufficient organisation which receives limited funding from government. Its key role under the TSSP is to assist with improving production and processing capacities under Component 4.
Scientific Research Organisation of Samoa (SROS)	SROS was set up in 2006 to provide scientific and technical research for the government and to develop new technologies to benefit Samoa's local industry. SROS's establishment is based on the realisation that adding value to primary produce overcomes some of the export trade challenges and contributes economic benefits. Its key role under TSSP is to assist with improving production and processing capacities under Component 2 and 4.
Private Sector Organisations	
Samoa Chamber of Commerce and Industries (SCCI)	SCCI, or the Chamber, is an incorporated association of businesses, private sector organisations and business people representing all areas of Samoa's private sector. The Chamber's purpose is "to act as Samoa's National Private Sector Organisation that will promote the interests, well-being and growth of Samoa's private sector at the national, regional and international levels to improve the economic and social well-being of the people of Samoa." Its key role under the TSSP is to assist with strengthening trade facilitation services under Component 3.
Women in Business Development Inc. (WIBDI)	WIBDI was established in 1991 as the Women in Business Foundation, initially to promote and advance the economic and business status of urban Samoan woman. Its main focus is ensuring vulnerable families in Samoa are able to contribute to their own development, the development of their community and country through income

IAs	ROLES AND RESPONSIBILITIES
	generation, job creation and participation in the village economy. Its key role under TSSP is to assist with improving production and processing capacities under Component 4.

SECTOR RESOURCING

13. The sector mobilised with two sources of funding: donor funding (Enhanced Integrated Framework (EIF)); and government funding. Samoa went into an MOU with EIF in 2012 where development funds were provided to enhance the institutional capacity of the sector (Tier 1). The EIF is a global partnership involving least developed countries (LDC), donors and international organisations, which support LDCs to be more active players in the global trading system by helping them tackle supply-side constraints to trade.

14. Samoa's Tier 1 project approved by the EIF Board in October 2012 supported National Implementation Arrangements (NIAs) enabling Samoa to use trade as an effective instrument for development by strengthening trade institutions, enhancing capacities for mainstreaming trade and increasing Aid for Trade (AfT) and its effectiveness in line with the Paris Declaration and Accra Agenda for Action. The NIA Support project is tailored towards supporting the implementation of the TCM-SP 2012-2016, comprised of four key pillars; (i) Industry Supply and productivity; (ii) Processing and Value Adding; (iii) Market Access and (iv) Sector Support and Planning Framework. Interventions in this project focuses on (a) establishing supporting structures and mechanisms for the implementation of the TCM-SP; including (b) enhancing capacities to develop national negotiation positions and implement and assess the implications of trade agreements.

15. Furthermore, the TSSP under the EIF Tier 2 window was submitted in December 2013 and commenced implementation in 2014. The TSSP focuses on providing resources for attaining medium to long term goals in the trade sector with components addressing sector policy and governance, manufacturing and linkages to other economic sectors, private sector development and foreign trade. It adapts a sector wide approach to improve production systems and productivity to ensure consistency in quantity and quality for export, market information and appropriate technology for improved value addition. This project is currently administered by MCIL with funds facilitated by MOF and implementation carried out by government agencies and non-governmental organisations.

16. The GOS has also committed sector contribution by establishing a Sector Coordinator role, and office under MCIL to drive and monitor sector initiatives.

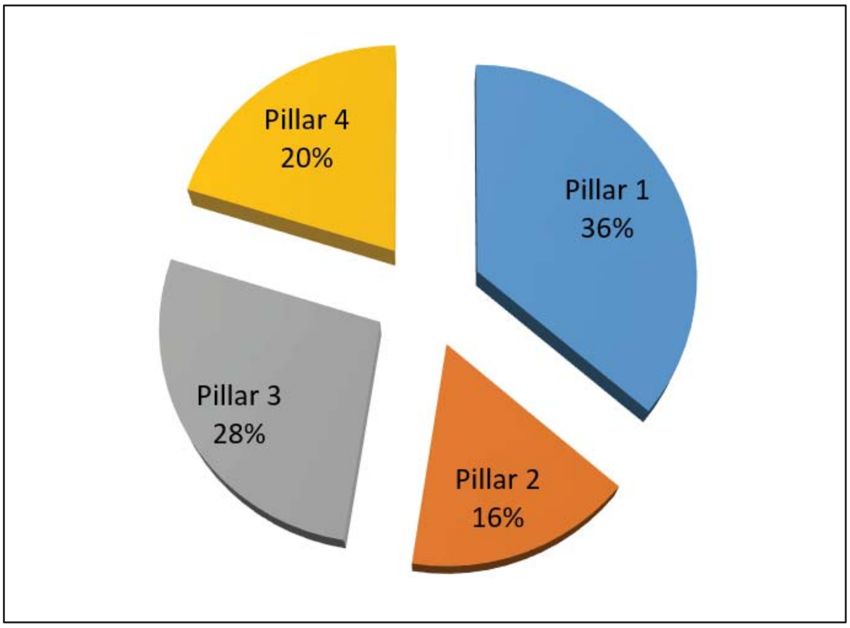
Scope of Sector Expenditures

17. The TCM Sector envelope comprises appropriations for 10 Implementing Agencies (IAs) carrying out sector initiatives: six government Ministries/agencies; 2 public bodies; and 2 private sector organisations. The table below details the immediate commitments for the implementation of the TCM Sector Plan. The following table and figure illustrates the commitments by Pillar.

Table 5: TCM MTEF FY14/15 - FY16/17

PILLAR	2014/15	2015/16	2016/17	TOTAL
Recurrent	9,063,982	9,021,606	8,898,371	26,983,959
Development	2,219,500	3,530,500	1,495,000	7,245,000
Pillar 1: Industry Supply & Productivity Sub-Total	**11,283,482**	**12,552,106**	**10,393,371**	**34,228,959**
Recurrent	2,116,544	2,172,139	2,178,517	6,467,200
Development	538,000	4,198,516	4,175,873	8,912,389
Pillar 2: Processing & Value Adding Sub-Total	**2,654,544**	**6,370,655**	**6,354,390**	**15,379,589**
Recurrent	3,794,195	3,932,389	3,718,035	11,444,619
Development	7,098,706	3,628,250	3,628,250	14,355,206
Pillar 3: Market Access Sub-Total	**10,892,901**	**7,560,639**	**7,346,285**	**25,799,825**
Recurrent	3,226,516	3,631,546	3,529,882	10,387,944
Development	3,810,018	2,928,455	2,006,920	8,745,393
Pillar 4: Sector Coordination and Support Sub-Total	**7,036,534**	**6,560,001**	**5,536,802**	**19,133,337**
Total Recurrent	*18,201,237*	*18,757,680*	*18,324,805*	*55,283,722*
Total Development	*13,666,224*	*14,285,721*	*11,306,043*	*39,257,988*
Total TCM Sector	***31,867,460***	***33,043,401***	***29,630,848***	***94,541,709***

Figure 2: Total TCM Sector Expenditure by Pillar



18. With reference to the MTEF figures above, the Sector envisaged to spend ST$31,337,124.50 for implementing Sector initiatives in CY2016. This is comprised of ST$18,541,242.50 under the recurrent budget and ST$12,795,882.00 from development funds. The actual spending for the Sector under the recurrent budget for CY2016 amounts to ST$17,592,765.50. The actual spending for the EIF projects (Tier 1 and Tier 2) for CY2016 is US$1,134,829.73.

Table 6: TCM Sector CY2016 Re-current Expenditure

PILLAR ONE		PILLAR TWO		PILLAR THREE		PILLAR FOUR	
Output	**Expense**	**Output**	**Expense**	**Output**	**Expense**	**Output**	**Expense**
MAF 4	$3,914,628.00	MCIL 4	$706,139.50	MAF 3	$1,308,915.00	MCIL 1	$683,296.50
MAF 5	$1,808,682.00	MCIL 6	$220,919.25	MCIL 3	$536,898.00	MCIL 2	$212,663.50
MAF 6	$2,232,160.50	MCIL 7	$237,456.50	MCIL 5	$601,503.00	MCIL 6	$220,919.25
MCIL 5	$513,541.50	SROS 4	$596,000.00	MFR 7	$629,705.50	MCIL 7	$237,456.50
SROS 3	$597,385.50	SROS 5	$762,893.50			MCIL 8	$610,762.50
						SBS 2	$467,394.00
						SBS 3	$473,445.50
TOTAL	**$9,066,397.50**	**TOTAL**	**$2,523,408.75**	**TOTAL**	**$3,077,021.50**	**TOTAL**	**$2,905,937.75**

THE PILLAR APPROACH

19. The Pillar approach streamlined the activities of the TCM-SP to be more direct and precise in implementation. In light of this, the TCM-SP eventuated to encompass four pillars: Industrial Supply and Productivity; Processing and Value Addition; Market Access; and Sector Support and Planning Framework.

Pillar 1: Industrial Supply and Productivity

20. Pillar one of the sector *'Industrial Supply and Productivity'* aims to enable the operating environment for the private sector as the main engine for economic growth and enhance its productivity, value adding and trade capacity. It is noted that the productivity level in Samoa is not yet sufficient to service the full capacity of existing markets, and also compete in other international markets. There is also a need to address the growing import balance by facilitating and promoting import substitution.

21. It is also important to note that the Pillar one also targets services, by building on Samoa's potential to export services through the New Zealand Regional Seasonal Employment (RSE) scheme and the Australian Seasonal Workers Programme (SWP). A priority for services is certification and accreditation in order to capitalise on the international demand. Additionally, there are multiple service avenues that are yet to be documented in Samoa, for example, sports and professional services.

Table 7: Pillar 1 - Logical Framework

INDUSTRIAL SUPPLY AND PRODUCTIVITY	
SPO1.1. Enhance the enabling environment for the private sector as the main engine for economic growth and enhance its productivity, value adding and trade capacity	
Outputs	
1.1 – Improved productivity of key industries	1.2 – Consistent quality and quantity of primary sector supply
Actions	
1.1.1 – Regular collaboration between MCIL, MfR & MPMC on business processes.	1.2.1 – Continue equal government and private sector partnership through capacity building.

1.1.2 – Revise the investment policy framework to improve the consistency and transparency of investment measures and entice investors to Samoa.	1.2.2 – Develop the capacities of private sector institutions to effectively engage with government on trade policy formulation through training in technical trade issues, enhanced dissemination of relevant information and trade negotiations, etc.
1.1.3 – Enactment and implementation of the Personal Property Security Act, which aims to increase economic activity by providing easier access to credit.	1.2.3 – Increase the acreage of traditional/tropical produces to meet the national and international demand.
1.1.4 – Increase sensitization of both men and women regarding the Trade Schemes offered by MCIL for skilled workers without formal certification.	

Table 8: Pillar 1 - Action Plan

STRATEGIES TO INCREASE SUPPLY AND PRODUCTIVITY FOR COMMODITIES AND SERVICES						
Action Plan		Timeframe				Implementing Agencies
Output	Actions	2013	2014	2015	2016	
1.1 – Improved productivity of key industries	1.1.1 – Regular collaboration between MCIL, MFR & MPMC on business processes.	X	X	X	X	MCIL, MFR, MPMC
	1.1.2 – Revise the investment policy framework to improve the consistency and transparency of investment measures and entice investors to Samoa.	X	X	X	X	MCIL (IDIP), MFR, MOF
	1.1.3 – Enactment and implementation of the Personal Property Security Act, which aims to increase economic activity by providing easier access to credit.		X	X	X	MCIL, Finance Institutions
	1.1.4 – Increase sensitization of both men and women regarding the Trade Schemes offered by MCIL for skilled workers without formal certification.	X	X	X	X	MCIL (AELM), NUS, SQA
1.2 – Consistent quality and quantity of primary sector supply	1.2.1 – Continue equal government and private sector partnership through capacity building.	X	X	X	X	MCIL, SCCI, WIBDI, SAME, SBEC, other Ministries and Private Sector Organisations
	1.2.2 – Develop the capacities of private sector institutions to effectively engage with government on trade policy formulation through training in technical trade issues, enhanced dissemination of relevant information and trade negotiations, etc.	X	X	X	X	MCIL, SCCI, WIBDI, SAME, SBEC, other Ministries and Private Sector Organisations

	1.2.3 – Increase the acreage of traditional/tropical produces to meet the national and international demand.			X	X	STEC, MCIL (EIF), MAF

Table 9: Pillar 1 – Performance Card 2016

PILLAR	Industrial Supply and Productivity		
IMPLEMENTING AGENCIES	*Commodities:* Agriculture Sector, MAF (Outputs 4, 5 and 6), SROS (Output 3), SACEP, PHAMA, STEC (TSSP Component 4), Private Sector *Services:* MCIL (Output 5) *Support:* MCIL (Outputs 3, 6, 7 and 8), TCM-CU		
FOCAL PERSON	ACEO – Industry Development and Investment Promotion (MCIL)		
OUTPUTS	**ACTIONS**	**STATUS**	**REMARKS**
1.1 – Improved productivity of key industries	1.1.1 – Regular collaboration between MCIL, MFR & MPMC on business processes.	Ongoing	▪ The Non-compliance Task Team re-convened in November 2016 to strengthen collaboration among the three agencies.
	1.1.2 – Revise the investment policy framework to improve the consistency and transparency of investment measures and entice investors to Samoa.	Ongoing	▪ Administration and facilitation of investment is Ongoing. ▪ A study of the Wholesaling Sector was also carried to see if it should be added to the Reserved List.
	1.1.3 – Enactment and implementation of the Personal Property Security Act, which aims to increase economic activity by providing easier access to credit.	Ongoing	▪ Legislative Framework revision is still ongoing. ▪ Plans to have the registry online is in the pipeline
	1.1.4 – Increase sensitization of both men and women regarding the Trade Schemes offered by MCIL for skilled workers without formal certification.	Ongoing	▪ Public awareness is still Ongoing ▪ There were 28 (1 female; 27 male) apprentices for the CY2016 in the Apprenticeship Program
1.2 – Consistent quality and quantity of primary sector supply	1.2.1 – Continue equal government and private sector partnership through capacity building.	Ongoing	▪ Private Sector organisations are continuously invited representation to numerous government committees, meetings, as well as participation in regional and international meetings and workshops.
	1.2.2 – Develop the capacities of private sector institutions to effectively engage with government on trade policy formulation through training in technical trade issues, enhanced dissemination of relevant information and trade negotiations, etc.	Ongoing	▪ Trade Promotion Officer under SCCI funded through TSSP US$27,500 (ST$74,911.46) ▪ PSO Grant for CY2016 amounts to ST$200,000.
	1.2.3 – Increase the acreage of traditional/tropical produces to	Ongoing	▪ STEC continuing replanting project, with maintenance

	meet the national and international demand.		work exceeding 500 acres and replanting reaching 200 acres by end of 2016.

Pillar 2: Processing and Value-adding

22. Pillar two of the sector *'Processing and value-addition'* aims to enhance the manufacturing sector and boost value-addition of locally available resources. This is turn strengthens the link between the agricultural sector and manufacturing sector for commodities. A significant portion of Samoa's formal sector is manufacturing and promoting their link to agriculture sets stage for formalising the agriculture sector. The GOS through MCIL is continuously looking at ways to develop these industries and accordingly facilitate and promote private sector investment. These GOS initiatives include: Duty Concession Scheme (DCS); Code 121; Code 113; and the anticipated Export Development Scheme.

23. Development partner assistance directed towards developing the private sector and creating an enabling environment for them include: EIF capacity building initiatives (Tier 1); Private Sector Support Facility (PSSF); and the Private Sector Development Initiative (PSDI). Additionally, standards (as in Pillar one) play a big role in processing and value-addition, as these enable goods and services to directly penetrate, not only the local market but also the international market.

24. Value-addition for Services is targeted through numerous mechanisms, relevant to the Sector's work are the technical and vocation education training (TVET) programmes such as the Apprenticeship scheme. Other value-addition for services are captured under the work of the Education Sector and the national Education institutions. Furthermore, there is a need to align services to international labour standards to enhance marketability in the international market. Hence, the continuous effort to enforce labour standards and occupational safety and health, as well as the ratifying of international labour conventions.

Table 10: Pillar 2 - Logical Framework

PROCESSING AND VALUE-ADDITION		
SPO2.1 – Enhance the effectiveness of market and the growth of commercial activities and create a level playing field for all in the domestic market; SPO2.2 – Create a conducive environment for industrial development and boost the manufacturing sector in Samoa		
Outputs		
2.1 – Increased number of value-added products	2.2 – Improved quality assurance standards for key processing industries	2.3 – Established quality standards for key services
Action		
2.1.1 – Promote and offer tax incentives on research and development for value addition. Enhance the capacity of SROS.	2.2.1 – Assist manufacturers to comply with international standards like ISO, HACCP, organic and fair trade.	2.3.1 – Enhance the legislative and regulatory framework for the Apprenticeship Scheme

2.1.2 – Establish investment sector profiling on potential manufacturing initiatives. Establish research and information for each sector in Samoa on investment opportunities available.	2.2.2 – Set up training and mentoring programme to enable farmers and primary producers to perform value-adding activities.	2.3.2 – Enhance the legislative and regulatory framework for labour standards, employment relations, and occupational health and safety.
2.1.3 – Carry out value-chain analysis of potential traditional/tropical products.	2.2.3 – Encourage the private sector to seek training for the enhancement of skills, knowledge and abilities of their employees.	2.3.3 – Ratification of ILO conventions
2.1.4 – Adopt a cluster development approach, establish business incubators and encourage businesses to network and cluster to achieve economies of scale and reduce unit costs of common overheads. Establish a national networking database under NPSO with the assistance of MCIL.	2.2.4 – Enhance the legislative framework to capture and formalise standards for local and imported products, as well as ensuring fair trade initiatives.	
2.1.5 – Encourage the production and consumption of locally produced goods and services. Strengthen Samoa's branding initiatives.		

Table 11: Pillar 2 - Action Plan

STRATEGIES TO ENHANCE VALUE OF COMMODITIES AND SERVICES						
Action Plan		Timeframe				Implementing Agencies
Output	Actions	2013	2014	2015	2016	
2.1 – Increased number of value-added products	2.1.1 – Promote and offer tax incentives on research and development for value addition. Enhance the capacity of SROS.	X	X	X	X	MPE, MOF, SROS, MCIL
	2.1.2 – Establish investment sector profiling on potential manufacturing initiatives. Establish research and information for each sector in Samoa on investment opportunities available			X	X	MCIL (IDIP)
	2.1.3 – Carry out value-chain analysis of potential traditional/tropical products	X	X	X	X	MAF, SROS, MCIL
	2.1.4 – Adopt a cluster development approach, establish business incubators and encourage businesses to network and cluster to achieve economies of scale and reduce unit costs of common overheads. Establish a national networking	X	X	X	X	SBEC, SCCI, SAME, WIBDI, MCIL

	database under NPSO with the assistance of MCIL					
	2.1.5 – Encourage the production and consumption of locally produced goods and services. Strengthen Samoa's branding initiatives	X		X		SCCI, SAME, WIBDI, MCIL (FTCD and IDIP)
2.2 – Improved quality assurance standards for key processing industries	2.2.1 – Assist manufacturers to comply with international standards like ISO, HACCP, organic and fair trade	X	X	X	X	SAME, SCCI, WIBDI, MOH, MCIL (IDIP)
	2.2.2 – Set up training and mentoring programme to enable farmers and primary producers to perform value-adding activities	X	X	X	X	MAF, SCCI, SAME, MCIL (FTCD)
	2.2.3 – Encourage the private sector to seek training for the enhancement of skills, knowledge and abilities of their employees	X	X	X	X	SBEC, SCCI, SAME, WIBDI
	2.2.4 – Enhance the legislative framework to capture and formalise standards for local and imported products, as well as ensuring fair trade initiatives	X	X	X	X	MCIL, MFR
2.3 – Established quality standards for key services	2.3.1 – Enhance the legislative and regulatory framework for the Apprenticeship Scheme		X			MCIL (AELM)
	2.3.2 – Enhance the legislative and regulatory framework for labour standards, employment relations, and occupational health and safety			X	X	MCIL (IROSHWP and AELM)
	2.3.3 – Ratification of ILO conventions	X	X	X	X	MCIL (IROSHWP and AELM)

Table 12: Pillar 2 - Performance Card 2016

PILLAR	Processing and Value-addition		
IMPLEMENTING AGENCIES	*Commodities:* WIBDI (including TSSP Component 4), SROS (Outputs 4 and 5), Private Sector, MAF, MCIL (Output 4) *Services:* MCIL (Outputs 6 and 7); *Support:* MCIL (IDIP), TCM-CU		
FOCAL PERSON	ACEO – Fair Trading, Codex Alimentarius, Consumer Protection, Metrology Division (MCIL)		
OUTPUTS	**ACTIONS**	**STATUS**	**REMARKS**
2.1 – Increased number of value-added products	2.1.1 – Promote and offer tax incentives on research and development for value addition. Enhance the capacity of SROS.	Ongoing	▪ SROS procurement is classified as government procurement; ▪ SROS is allocated US$50,000 for Research and

			Development under the TSSP.
	2.1.2 – Establish investment sector profiling on potential manufacturing initiatives. Establish research and information for each sector in Samoa on investment opportunities available	Completed and Ongoing	▪ The baseline profiles were developed in 2003 and their review was completed in 1Q2016
	2.1.3 – Carry out value-chain analysis of potential traditional/tropical products	Ongoing	▪ STEC carried out a Value-chain analysis for VCO in 2015; ▪ MAF has developed value-chain analysis for other crops
	2.1.4 – Adopt a cluster development approach, establish business incubators and encourage businesses to network and cluster to achieve economies of scale and reduce unit costs of common overheads. Establish a national networking database under NPSO with the assistance of MCIL	Ongoing	*Hard approaches:* ▪ The WIBDI processing and storage facility started work in 3Q2016 and is due to be completed by 2Q2017; ▪ STEC currently working on a concept design for their warehouse; ▪ Youth Incubator concept in pipeline since 2Q2016. *Soft approaches:* ▪ Work on centralising information for ease of access for the private sector is ongoing.
	2.1.5 – Encourage the production and consumption of locally produced goods and services. Strengthen Samoa's branding initiatives	Ongoing	▪ SCCI continuously support their members in branding and labelling initiatives; ▪ SAME 2015 – Buy Samoa Sydney; ▪ WIBDI and other Private Sector organisations continue to support their members in this area; ▪ The PSSF (administered by MCIL) had financially supported numerous projects in the past with branding, packaging and labelling projects. ▪ MCIL (FTCD) is also the Secretariat for the CODEX committee responsible for national standards, all food-related standards are mandated under the MOH in-line with the Food Act 2015.

2.2 – Improved quality assurance standards for key processing industries	2.2.1 – Assist manufacturers to comply with international standards like ISO, HACCP, organic and fair trade	Ongoing	▪ SAME is continuously supporting members in ISO certification. ▪ The National CODEX Strategy will be finalised in 2Q2017 and submitted to the International CODEX Alimentarius Body.
	2.2.2 – Set up training and mentoring programme to enable farmers and primary producers to perform value-adding activities	Ongoing	▪ MAF technical support is ongoing for all farmers and other primary sector stakeholders; ▪ SCCI, SAME and WIBDI technical support is Ongoing for their members.
	2.2.3 – Encourage the private sector to seek training for the enhancement of skills, knowledge and abilities of their employees	Ongoing	▪ MFAT continuing assistance for training and capacity building for all Samoan nationals; ▪ Development Partners have also become more confident in approaching Private Sector organisations to channel funds and capacity building initiatives. ▪ Policy Development training for Sector Stakeholders conducted in 2Q2016
	2.2.4 – Enhance the legislative framework to capture and formalise standards for local and imported products, as well as ensuring fair trade initiatives	Completed	▪ Metrology Act 2015 came into force on 1 January 2017; ▪ Competition and Consumer Act 2016 will come into effect on 1 July 2017.
2.3 – Established quality standards for key services	2.3.1 – Enhance the legislative and regulatory framework for the Apprenticeship Scheme	Ongoing	▪ The Apprenticeship Act 2014 commenced on 7 April 2014. The Apprenticeship Act is an Act to provide for the technical-vocational education and training of apprentices in order to integrate them into the work force and create skilled employees and for related purposes.
	2.3.2 – Enhance the legislative and regulatory framework for labour standards, employment relations, and occupational health and safety	Ongoing	▪ Enforcement of the LERA 2012 is ongoing; ▪ The Labour and Employment Relations Regulation came into force on 18 November 2016.
	2.3.3 – Ratification of ILO conventions	Ongoing	▪ Maritime Labour Convention 2006 ratified in 2013; ▪ Annual Reports on legal implementation of ratified

			ILO Conventions. AG certification for four Reports to be submitted by 1Q2017. ▪ Rapid Assessment of Child Labour Report to be endorsed by Cabinet in 1Q2017.

Pillar 3: Market Access

25. Pillar three of the sector is '*Market Access*' and it aims to enhance the effectiveness of market mechanisms and the growth of commercial activities and create a level playing field for all in the domestic market. It also aims to boost Samoa's capacity to engage in, and reap the gains from, trade through enhancing competitiveness, reducing the trade deficit to sustainable levels and promoting exports. It is continuously noted that Samoa's balance of payments (BOP) is characterised by a large deficit in the balance of goods and a significant surplus in the balance of services as well as a substantial transfer inflow.

26. In this regard, the sector is continuously working towards: enhancing the legislative framework to regulate both the domestic and international market; conforming trade arrangements and our institutional setup with appreciation afforded to our national interest, customs and traditions; enhancing our border operations and port establishments; and promoting and understanding the demand of markets and how our supply could meet it.

Table 13: Pillar 3 - Logical Framework

MARKET ACCESS			
SPO3.1 - Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export			
Outputs			
3.1 – Reduced cost of doing business	3.2 – Improved access to various private sector support schemes	3.3 – Improved balance of trade on goods	3.4 – Increased labour mobility in foreign markets
Actions:			
3.1.1 – Review national tariff structure to reduce tariffs on inputs and capital goods for local production process and create an investment environment for export.	3.2.1 – Develop, review and promote government assistance schemes geared towards the private sector.	3.3.1 – Implement and monitor commitments made in all trade agreements/arrangements	3.4.1 – Review regulatory framework for professional services in light of Samoa's interest in promoting a more integrated regional market for professional services in the context of PICTA, as well as securing market opportunities further afield.
3.1.2 – Undertake a comprehensive study to reduce the cost of doing business and improve the business and investment environment	3.2.2 – Develop an electronic monitoring system for business environment and cost structure.	3.3.2 – Review, update and implement the National Export Strategy.	3.4.2 – Review implementation of measures and strategies to enhance the participation of Samoa's services industry in

in Samoa, including deepening the understanding of the constraints identified in the World Bank Doing Business and Enterprise benchmark surveys.			international (services) trade including labour mobility.
		3.3.3 – Create a development-oriented trade policy in line with Samoa's development goals.	3.4.3 – Strengthen and develop capacity of negotiating delegations on labour mobility issues, in Ongoing / current trade agreements such as PICTA, EPA, PACER Plus and conformity with WTO GATS Mode 4.
			3.4.4 – Explore and develop additional bilateral schemes, such as the RSE, to facilitate mobility for both skilled and unskilled labour in the region and internationally.

Table 14: Pillar 3 - Action Plan

STRATEGIES TO ENHANCE MARKET VISIBILITY FOR COMMODITIES AND SERVICES						
Action Plan		Timeframe				Implementing Agencies
Output	Actions	2013	2014	2015	2016	
3.1 – Reduced cost of doing business	3.1.1 – Review national tariff structure to reduce tariffs on inputs and capital goods for local production process and create an investment environment for export		X		X	MFR, MOF, MCIL
	3.1.2 – Undertake a comprehensive study to reduce the cost of doing business and improve the business and investment environment in Samoa, including deepening the understanding of the constraints identified in the World Bank Doing Business and Enterprise benchmark surveys	X	X	X	X	MOF, MCIL, MFR, MPMC
3.2 – Improved access to various private sector support schemes	3.2.1 – Develop, review and promote government assistance schemes geared towards the private sector	X	X	X	X	MCIL, MOF, MFR
	3.2.2 – Develop an electronic monitoring system for	X	X	X	X	MCIL, MFR, MPMC

	business environment and cost structure					
3.3 – Improved balance of trade on goods	3.3.1 – Implement and monitor commitments made in all trade agreements/ arrangements	X	X	X	X	MFAT; all other Agencies implementing commitments
	3.3.2 – Review, update and implement the National Export Strategy	X	X			MFAT, MCIL, MAF, SCCI, SAME
	3.3.3 – Create a development-oriented trade policy in line with Samoa's development goals				X	MFAT
3.4 – Increased labour mobility in foreign markets	3.4.1 – Review regulatory framework for professional services in light of Samoa's interest in promoting a more integrated regional market for professional services in the context of PICTA, as well as securing market opportunities further afield	X	X	X	X	MFAT; MCIL
	3.4.2 – Review implementation of measures and strategies to enhance the participation of Samoa's services industry in international (services) trade including labour mobility	X	X	X	X	MCIL; MPMC; MFAT
	3.4.3 – Strengthen and develop capacity of negotiating delegations on labour mobility issues, in Ongoing / current trade agreements such as PICTA, EPA, PACER Plus and conformity with WTO GATS Mode 4	X	X	X	X	MFAT, all other Agencies participating in negotiations
	3.4.4 – Explore and develop additional bilateral schemes, such as the RSE, to facilitate mobility for both skilled and unskilled labour in the region and internationally				X	MCIL; MPMC

Table 15: Pillar 3 - Performance Card 2016

Pillar	Market Access		
IMPLEMENTING AGENCY	MFAT (Output 5); MCIL (Output 3); MFR (Output 7); MAF (Output 3); SCCI (TSSP Component 2); PSSF; ADB (Private Sector Development Initiative)		
FOCAL PERSON	ACEO – Trade (MFAT)		
PILLAR 3:MARKET ACCESS			
OUTPUTS	**ACTIONS**	**STATUS**	**REMARKS**

3.1 – Reduced cost of doing business	3.1.1 – Review national tariff structure to reduce tariffs on inputs and capital goods for local production process and create an investment environment for export	Ongoing	▪ Revision of tariff structure for Manufacturing sector was completed in 1Q2015. ▪ MOF initiated a complete tariff structure review in 2016.
	3.1.2 – Undertake a comprehensive study to reduce the cost of doing business and improve the business and investment environment in Samoa, including deepening the understanding of the constraints identified in the World Bank Doing Business and Enterprise benchmark surveys	Ongoing	▪ Update to World Bank is compiled and provided annually by MOF with input from line Agencies, like MCIL, MFR, etc. ▪ ADB is also conducting a Trade and Transport Facilitation regional initiative (since 2Q2016), which includes the carrying out of a Time-Release Study for Samoa.
3.2 – Improved access to various private sector support schemes	3.2.1 – Develop, review and promote government assistance schemes geared towards the private sector	Ongoing	
	3.2.2 – Develop an electronic monitoring system for business environment and cost structure	Ongoing	▪ www.businessregistries.gov.ws ▪ ONEMCIL centralised database is now in the pipeline and due to be implemented by 2Q2017 ▪ Integrated Business Database Framework is now in the pipeline and due to be implemented by 2Q2017
3.3 – Improved balance of trade on goods	3.3.1 – Implement and monitor commitments made in all trade agreements/ arrangements	Ongoing	▪ Negotiations for PACER Plus are Ongoing; ▪ The PICTA review is in the pipeline and due to be implemented by 2Q2017 ▪ WTO post-accession obligations are still ongoing and some have yet to be implemented.
	3.3.2 – Review, update and implement the National Export Strategy	Completed and Ongoing	▪ The review and update was conducted in 2013 and the recommendations are yet to be implemented; ▪ Due to financial constraints, it is best to take a soft-approach at this stage focusing on centralising information and work towards the hard-approaches in the long term.
	3.3.3 – Create a development-oriented trade policy in line with Samoa's development goals	Ongoing	▪ Samoa's trade policy statement to the WTO is due to be completed by 4Q2017; ▪ Samoa's Trade Policy is targeting development by 1Q2019
	3.4.1 – Review regulatory framework for professional	Ongoing	▪ Ongoing in PACER Plus negotiations

3.4 – Increased labour mobility in foreign markets	services in light of Samoa's interest in promoting a more integrated regional market for professional services in the context of PICTA, as well as securing market opportunities further afield		
	3.4.2 – Review implementation of measures and strategies to enhance the participation of Samoa's services industry in international (services) trade including labour mobility	Ongoing	▪ The Labour Employment Export Program is expected to roll out in FY2017/2018 with the intention of transferring the Seasonal Scheme under MPMC to MCIL.
	3.4.3 – Strengthen and develop capacity of negotiating delegations on labour mobility issues, in Ongoing / current trade agreements such as PICTA, EPA, PACER Plus and conformity with WTO GATS Mode 4	Ongoing	
	3.4.4 – Explore and develop additional bilateral schemes, such as the RSE, to facilitate mobility for both skilled and unskilled labour in the region and internationally	Ongoing	▪ This will be part and parcel of the LEEP Framework.

Pillar 4: Sector Policy and Planning Framework

27. Pillar four of the sector is *'Sector Support and Planning Framework'* and is basically the work and operations of the TCM-CU, and other TCM stakeholders that are carried out to support the SDS aspirations of 'Increasing Exports' and 'Developing the Private Sector'. As previously indicated, the TCM-CU is mandated to coordinate and monitor the execution of the TCM-SP and to serve as Secretariat of its governing bodies. In this connection, the TCM-CU is responsible developing and updating the M&E framework, MTEF, and reporting to the numerous stakeholders of the TCM-SP.

Table 16: Pillar 4 - Logical Framework

SECTOR SUPPORT AND PLANNING FRAMEWORK			
SPO4.1 - Strengthen sector policy, legal, regulatory and strategic planning; SPO4.2 - Enhance linkages and spill-overs among productive sectors			
Outputs			
4.1 – A coherent sector planning and policy formulation developed	4.2 – Accurate and timely sector statistics for sector planning and policy formulation	4.3 – Strengthened institutional capacity of key sector implementing agencies	4.4 – Sector recognition and integration of cross-cutting issues like climate change resilience and Sustainable Development Goals (SDGs)
Actions			

4.1.1 – Collaborative Ongoing dialogue and collaboration among all relevant line ministries.	4.2.1 – Establish research unit and develop reliable and timely employment data critical to track and manage the contributions of key sectors and the emerging services and to monitor employment shifts among the main sectors of the Samoa economy	4.3.1 – Undertake a needs assessment on institutional capacity constraints. On the basis of the needs assessment enhance the institution's capacity to implement the Sector policies	4.4.1 – Support the Agriculture Sector in their efforts to boost agriculture productivity and promote import substitution.
4.1.2 – Develop an M&E framework, indicators, and specific targets.	4.2.2 – Create a Computerized Central Statistics Database for the MCIL as a part of the management and information unit and use the data for research and diagnostic studies	4.3.2 – Enhance the capacity of the Sector Implementing Agencies to meet the implementation requirements of the Sector policies	4.4.2 – Encourage business clustering to achieve economies of scale and reduce unit costs and common overheads.
4.1.3 – Develop a Medium Term Expenditure Framework.		4.3.3 – Within the research unit in TCM-CU, improve policy design and strengthen capacities for monitoring and evaluation of trade policy to assess economic, human development, and poverty impacts and adjust accordingly	4.4.3 – Sensitise the sector and its implementing agencies about climate change and adaptation and resilience measures.
4.1.4 – Government to establish an adequate institutional framework for the coordination and implementation of the TCMSP, i.e. enhance the role of the existing TCIDB			4.4.4 – Integrate international goals and values into the sector in line with Samoa's national interest.
4.1.5 – Clarify the roles and responsibilities of the MFAT and MCIL for trade policy formulation and implementation, with MCIL taking the leading role in policy development and export and investment promotion, and the MFAT to be responsible for trade negotiations			

Table 17: Pillar 4 - Action Plan

STRATEGIES TO ENHANCE VALUE OF COMMODITIES AND SERVICES						
Action Plan		Timeframe				Implementing Agencies
Output	Actions	2013	2014	2015	2016	
4.1 – A coherent sector planning and policy formulation developed	4.1.1 – Collaborative Ongoing dialogue and collaboration among all relevant line ministries	X	X	X	X	TCM-CU and all Sector IAs
	4.1.2 – Develop an M&E framework, indicators, and specific targets	X	X	X	X	TCM-CU
	4.1.3 – Develop a Medium Term Expenditure Framework	X	X	X	X	TCM-CU
	4.1.4 – Government to establish an adequate institutional framework for the coordination and implementation of the TCMSP, i.e. enhance the role of the existing TCIDB	X	X	X	X	TCM-CU
	4.1.5 – Clarify the roles and responsibilities of the MFAT and MCIL for trade policy formulation and implementation, with MCIL taking the leading role in policy development and export and investment promotion, and the MFAT to be responsible for trade negotiations	X	X	X	X	PSC, MCIL, MFAT
4.2 – Accurate and timely sector statistics for sector planning and policy formulation	4.2.1 – Establish research unit and develop reliable and timely employment data critical to track and manage the contributions of key sectors and the emerging services and to monitor employment shifts among the main sectors of the Samoa economy	X	X	X	X	MCIL (AELM), SBS, TCM-CU
	4.2.2 – Create a Computerized Central Statistics Database for the MCIL as a part of the management and information unit and use the data for research and diagnostic studies				X	MCIL (TSSP Component 1)
4.3 – Strengthened institutional capacity of key sector implementing agencies	4.3.1 – Undertake a needs assessment on institutional capacity constraints. On the basis of the needs assessment enhance the institution's capacity to implement the Sector policies	X	X	X	X	TCM-CU

	4.3.2 – Enhance the capacity of the Sector Implementing Agencies to meet the implementation requirements of the Sector policies	X	X	X	X	TCM-CU and all Sector IAs
	4.3.3 – Within the research unit in TCM-CU, improve policy design and strengthen capacities for monitoring and evaluation of trade policy to assess economic, human development, and poverty impacts and adjust accordingly	X	X	X	X	TCM-CU, SBS, CBS, MOF
4.4 – Sector recognition and integration of cross-cutting issues like climate change resilience and Sustainable Development Goals (SDGs)	4.4.1 – Support the Agriculture Sector in their efforts to boost agriculture productivity and promote import substitution	X	X	X	X	MAF, Agriculture Sector, MCIL, TCM-CU
	4.4.2 – Encourage business clustering to achieve economies of scale and reduce unit costs and common overheads	X	X	X	X	WIBDI, SCCI, SAME, MCIL
	4.4.3 – Sensitise the sector and its implementing agencies about climate change and adaptation and resilience measures				X	TCM-CU and all Sector IAs, MNRE (DMO)
	4.4.4 – Integrate international goals and values into the sector in line with Samoa's national interest				X	TCM-CU, MOF

Table 18: Pillar 4 - Performance Card 2016

PILLAR	Sector Support and Planning Framework		
IMPLEMENTING AGENCY	TCM-CU, SBS (Outputs 2 and 3), CBS *Support:* MCIL (Outputs 1, 2, 6, 7 and 8); MOF		
FOCAL PERSON	ACEO/Coordinator – TCM-CU (MCIL)		
PILLAR 4: SECTOR SUPPORT & PLANNING FRAMEWORK			
OUTPUTS	**ACTIONS**	**STATUS**	**REMARKS**
4.1 – A coherent sector planning and policy formulation developed	4.1.1 – Collaborative Ongoing dialogue and collaboration among all relevant line Ministries	Ongoing	▪ TCM Coordination Unit participation in Sector Coordinator’s Forum; ▪ TCM-CU participation in line Ministries meetings and forums; ▪ TCM-CU participating in other Sector Steering Committee meetings
	4.1.2 – Develop an M&E framework, indicators, and specific targets	Completed	▪ M&E Framework approved in principal by the TCM Steering Committee Meeting in 1Q2016

	4.1.3 – Develop a Medium Term Expenditure Framework	Completed	▪ MTEF for FY2014/15 to FY16/17 is in place; ▪ New TCM Sector Plan will also roll-out the update of the MTEF
	4.1.4 – Government to establish an adequate institutional framework for the coordination and implementation of the TCMSP, i.e. enhance the role of the existing TCIDB	Ongoing	▪ TCM-CU is now established ▪ TCM-CU will be fully absorbed by MCIL once the EIF projects are completed
	4.1.5 – Clarify the roles and responsibilities of the MFAT and MCIL for trade policy formulation and implementation, with MCIL taking the leading role in policy development and export and investment promotion, and the MFAT to be responsible for trade negotiations		▪ The Government Functional Analysis rolled out by PSC in 2012 had recommended in 2016 changes to the Government structure, to be rolled out in the short to medium term. ▪ The Functional Analysis has properly defined the roles of the two Ministries in-line with consultations recommendations.
4.2 – Accurate and timely sector statistics for sector planning and policy formulation	4.2.1 – Establish research unit and develop reliable and timely employment data critical to track and manage the contributions of key sectors and the emerging services and to monitor employment shifts among the main sectors of the Samoa economy	Ongoing	▪ The TCM-CU is anticipated to be expanded and branched into three functions: Project Management; Sector Planning; and Policy Advice and Evaluation. The Policy Advice and Evaluation will act mostly as a Research Unit for MCIL and all TCM Sector stakeholders.
	4.2.2 – Create a Computerized Central Statistics Database for the MCIL as a part of the management and information unit and use the data for research and diagnostic studies	Ongoing	▪ ONEMCIL centralised database is now in the pipeline and due to be implemented by 2Q2017 ▪ Integrated Business Database Framework is now in the pipeline and due to be implemented by 2Q2017
4.3 – Strengthened institutional capacity of key sector implementing agencies	4.3.1 – Undertake a needs assessment on institutional capacity constraints. On the basis of the needs assessment enhance the institution’s capacity to implement the Sector policies	Ongoing	▪ This was conducted in 2012, but this is a rolling activity, that is ongoing and constantly updated to be responsive to the changing nature of businesses and the business environment.
	4.3.2 – Enhance the capacity of the Sector Implementing Agencies to meet the implementation requirements of the Sector policies	Completed Ongoing	▪ TCM Steering Committee meetings, held quarterly – to ensure effective decision making and implementation of sector initiatives.
	4.3.3 – Within the research unit in TCM-CU, improve policy design	Ongoing	▪ The TCM-CU is anticipated to be expanded and

	and strengthen capacities for monitoring and evaluation of trade policy to assess economic, human development, and poverty impacts and adjust accordingly		branched into three functions: Project Management; Sector Planning; and Policy Advice and Evaluation. The Policy Advice and Evaluation will act mostly as a Research Unit for MCIL and all TCM Sector stakeholders.
4.4 – Sector recognition and integration of cross-cutting issues like climate change resilience and Sustainable Development Goals (SDGs)	4.4.1 – Support the Agriculture Sector in their efforts to boost agriculture productivity and promote import substitution	Ongoing	▪ TSSP (EIF) support for Coconut and Cocoa is ongoing; ▪ TCM-CU present in Agriculture Sector Steering Committee and Taskforce meetings; ▪ Ongoing support for the Primary Sector
	4.4.2 – Encourage business clustering to achieve economies of scale and reduce unit costs and common overheads	Ongoing	▪ WIBDI, SCCI, SAME and other Private Sector entities are promoting this concept to ensure consistent supply.
	4.4.3 – Sensitise the sector and its implementing agencies about climate change and adaptation and resilience measures	Ongoing	▪ MNRE (DMO) and TCM-CU have developed the DRM Strategy for the TCM Sector. This will mainstream DRM/DRR initiatives into the Sector. ▪ Continuous participation in the Environment Sector Steering Committee; ▪ Continuous advocating for Green Initiatives like Green Jobs with ILO. ▪ EIF re-defining scope to capture up-coming issues like Environment, Climate Change and Gender.
	4.4.4 – Integrate international goals and values into the sector in line with Samoa's national interest	Ongoing	▪ The new revised SDS 2016/17-2019/20 has also localised SDGs into the Samoan context. This initiative will also be done for the new TCM Sector Plan.

CHALLENGES

28. The legislative framework of the Sector is quite extensive and their review is a never-ending cycle, in order for it to be relevant and responsive to the changes in the business environment. Hence, there is a continuous need for capacity building in enforcement and implementation of these legislation.

29. The deficit Trade Balance continues to be a challenge due to the significant amount of fuel products that are imported into the country. There is also room for improving import substitution, especially for food products.

30. Project procurement is consistently a challenge for the sector, and the following are issues that were/are faced by Implementing Agencies while implementing the TSSP:
    i. At times, the implementations of the projects are delayed due to Government Procurement processes. However, this is beyond TCM's control as government's processes are in place for crucial reasons and despite the need to speed up the work, these processes must be adhered to.
    ii. The slow implementation in the construction of WIBDI's warehouse is due to poor performance of the Project Manager and short-cuts taken by the contractor. Hence, the construction works were put on hold as there were areas that were not in compliance with the Samoa Building Code.
    iii. STEC facing issues with the replanting works in terms of sustainability of maintenance works done at the farm. In addition, there are other factors such plant diseases and feral animals which have affected new seedlings.
    iv. The procurement of the required equipment for SROS's testing and production trial has been on hold until the completion of WIBDI or STEC's facility to house the equipment, due to its size and capacity. This also led to the delay in their capacity building component as they need to install this equipment to conduct testing and training.
    v. The allocation assigned for the SCCI intended only for the remuneration of the Trade and Marketing officer. Further financial assistance is needed to support the activities the position entails.
    vi. For some projects, there is a limited pool of experts to select from, which in-turn impacts on the procurement timeframe. For example, bidders for the MCIL Centralised Database TA were non-compliance to the requirements of the Request for Proposal (RFP), it was then re-advertised which causes delay in the implementation of this project.

WAY FORWARD

31. The Replanting Project under the TSSP anticipates initial impact by 2020 when the new crops have matured. Coconuts and coconut value-added products remain a dominating export commodity for Samoa, and with interest from Dr Bronner's (an American cosmetic company). Hence the forecasted growth and dominance of these coconut products in Samoa's export commodity list. Cocoa has dropped to a significantly low quantity in the export commodity list of Samoa, but resurgence is noted with interest from the Whittakers chocolate company in New Zealand.

32. For Samoa's benefit, it is ideal to focus on niche products and target niche markets, as oppose to competing in saturated markets of traditional products. This is the reason why a processing warehouse was commissioned for WIBDI, as their products are mostly value-added niche products. Anticipating, the completion of the warehouse foresees the growth of niche products in our export commodity list.

33. In relation to enabling environment for businesses, the sector continues to finance where possible the building of capacities for public officials as well as private sector organisations, building legal/policy frameworks, and provide technical assistance to better assist and facilitate businesses in Samoa.

34. It is expected for the work carried out by the sector to impact the trade balance, via increasing exports and decreasing imports; as well as promote a business enabling environment and further develop the private sector of Samoa.

ANNEX ONE – EIF TIER 1 ANNUAL REPORT

Enhanced Integrated Framework (EIF)
for trade-related assistance for Least Developed Countries (LDCs)

Sample Annex D

Technical/Narrative Report Template

Semi-Annual and Annual Consolidated Report

Submitted by the National Implementation Unit (NIU) to
The Executive Secretariat (ES) for the Enhanced Integrated Framework
and the EIF Trust Fund Manager (TFM)

EIF Tier 1 (SAMOA)

***

Project title:	Strengthening Samoa's national Implementation Arrangements for the EIF
Date of approval by EIF Board:	11 April 2011
Date of signature of MOU:	31 October 2012
Starting date:	13 March 2013
Duration of project:	3 years + 2 years
Total project budget:	USD$1.1m
Amount received under this Agreement: (US$):	USD$930,000
Amount received from other sources of funding:	XXXXX
Contribution of Government of Samoa:	USD$98,771 (direct FY15/16) + USD$208,897 (indirect FY15/16)
Type of report:	Annual Narrative Report
Time period covered by this report:	Jan-Dec 2016
Amount spent during the period (US$):	USD$307,112.66

***

Date:	
Name of person reporting:	Muliufi Nickel
Function of person reporting:	NIU Coordinator
Name of contact person:	Muliufi Nickel
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1/February 2017

Ministry of Commerce Industry & Labour Samoa

PULOTU LYNDON CHU LING
CEO – Ministry of Commerce, Industry & Labour

PART I.
SITUATION ANALYSIS AND STATUS

I.1 Overview of the country situation in project implementation

Please briefly describe any significant economic, social, political and trade developments that influenced project implementation in the reporting period.

Parliament XVI after 2016 elections

These changes were noted in the 2016 semi-annual report.

Administration changes for the TCM Sector

- Some of these changes were noted in the 2016 semi-annual report.
- Mrs. Peseta Margaret Malua passed away on 26 June 2016 and the CEO position for MCIL was subsequently filled by Mr. Pulotu Lyndon Chu Ling in October 2016.

New Strategy for the Development of Samoa (SDS) 2016/17 – 2020-21

The current SDS 2012-2016 has come to an end and the next SDS 2016/12 – 2020/21 was launched in December 2016.

Trade and Transport Facilitation Project

A Mission from the Asian Development Bank (ADB) visited Apia, Samoa from 25-27 July 2016 to initiate TA 8674: REG Trade and Transport Facilitation in the Pacific, and to discuss the scope of the future Port Infrastructure Project. The Mission met with the Ministry of Finance (MOF), Ministry of Commerce, Industry and Labour (MCIL), Ministry of Foreign Affairs and Trade (MFAT), Samoa Airport Authority and Samoa Ports Authority (SPA). The findings and recommendations of the Mission are subject to confirmation by higher authorities of ADB and the Government.

Renovation of the Faleolo International Airport

The renovation works funded by China are still ongoing, they have completed the refurbishing of the Departure terminal and are now moving to complete the whole project before the end of 2017. The renovated departure terminal was officially opened on 30 November 2016.

I.2 Effects on project objectives

Please describe how the above changes affected or will potentially affect the project objectives.

Parliament XVI after 2016 elections

These changes were noted in the 2016 semi-annual report.

Administration changes for the TCM Sector

- Some changes were noted in the 2016 semi-annual report.
- The passing away of the late MCIL CEO, Mrs. Peseta Margaret Malua, slightly impacted the implementation of some projects due to lack of leadership and direction at the time.
- Samoa was also approved a no-cost extension for Tier 1 in November, with the extension ending in October 2017.

New Strategy for the Development of Samoa (SDS) 2016/17 – 2020-21

The new SDS has broadened the development of diversified Sectors, including the TCM Sector as a leading link for Key Outcome 3 (Export Product Increased) and supporting Key Outcomes 2 (Agriculture and Fisheries Productivity increased) and Key Outcomes 5 (Participation in Private Sector Development Enhanced):

- **Key Outcome 2: Agriculture and Fisheries Productivity Increased** – These are important contributors to boost and enhance the development of agri-business and mainly to retain rural livelihood opportunities and healthier options for local consumers. Farmers will be able to use the assistance provided to produce their products in order to meet Samoa's export demands. Such produce includes coconut based products, the virgin coconut oil, fish, taro and other main exported products of Samoa.

- **Key Outcome 3: Export Product Increased** – Maximizing the gains from domestic and foreign trade and increasing income generation opportunities as well as sustainable livelihoods plays an important role in the Samoa's growth and development. The Samoa Agribusiness program, Development Bank of Samoa and Samoa Business Enterprise Centre will provide technical and financial assistance for small business establishment. These schemes will help develop niche market provision for farmers and small business enterprises, to increase agricultural and fisheries export product.

- **Key Outcome 5: Participation of Private Sector in Development Enhanced** – The Private Sector plays a significant role in strengthening the business environment for employment creation, investment and economic development. The Government's on-going administration processes, accountability standards and governance continues to improve the following obligations under the government priorities, such as health, education, investments, value added products, domestic and international trades, infrastructure construction and maintenance, community obligations and improved monitoring and reporting arrangements. The Public Private Partnership (PPP) as supported by the 'whole of government' initiation will consistently be attached to the obligations of State Owned Enterprises (SOEs).

Nonetheless, the TCM Sector still plays an important role in other Key Objectives, particularly cross-cutting issues like climate change and the environment, and gender and social issues.

<u>Trade and Transport Facilitation Project</u>
This project complements the work of the TCM Sector and the EIF projects. There is a possibility as an outcome from this project, an overhaul/refurbishment of Samoa's international ports, this will in time improve trade facilitation and enhance Samoa's connectivity to the global trading system. However, it is certain that the initial phase of the project will establish baseline for a time-release study (TRS) for Samoa.

<u>Renovation of the Faleolo International Airport</u>
The renovation has a trickle-down effect on trade and tourism, by complementing the work that Samoa's EIF projects aims to do. The upgrades will see an increase in the size of the terminal from 5,500 m^2 to almost 12,000 m^2, allowing the facilities to cater for up to 600,000 annual passenger movements with maximum passenger flow volume of 300 passengers per hour.

PART II:
IMPLEMENTATION UPDATE

2.1 Overview of the results

Outline the key activities of the project against the work plan during the reporting period as well as achievements vis-à-vis planned outputs. ***Please state each activity as in the work plan and explain the status of implementation.***

Table 19: Revised Work-plan (EIF-TIER1-WSM-001)

EIF OUTCOMES	TCM-SP PILLAR	TCM SECTOR POLICY OBJECTIVE	ACTIVITY	IMPLEMENTING AGENCY	STATUS
1. Capacities for pro-poor and inclusive trade policy formulation, implementation and assessment strengthened	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.1 Ensure effective coordination and implementation of TCM Sector Plan activities	MCIL (TCM-CU)	Ongoing – Revision and development of new Sector Plan to be in place by March 2017.
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.2 TCM Steering Committee to meet quarterly	MCIL (TCM-CU)	Ongoing – last meeting was in 3Q2016
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.3 Strengthening the capacity of TCM-CU to monitor and report on Sector initiatives	MCIL (TCM-CU)	Ongoing – personnel to be absorbed under local budget (MCIL) by the end of the project life.
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.4 Strengthening the capacity of TCM-CU to report on financial performance of the Sector	MCIL (TCM-CU)	Ongoing – personnel to be absorbed under local budget (MCIL) by the end of the project life.
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal,	1.5 Upgrade the MFAT and MCIL website to include EIF and TCM Sector information	MCIL & MCIL (CSUs)	MFAT – complete MCIL – in procurement phase

EIF OUTCOMES	TCM-SP PILLAR	TCM SECTOR POLICY OBJECTIVE	ACTIVITY	IMPLEMENTING AGENCY	STATUS
		regulatory and strategic planning			
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.6 Build the capacity of the TCM-CU in information systems to better analyse and disseminate sector data	MCIL (TCM-CU)	Target to be implemented in 2Q2017
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.7 Strengthen the capacity of the TCM Sector in policy formulation/development	MCIL (TCM-CU)	Complete in 2Q2016
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	1.8 Review of legislation in line with WTO requirements	MCIL	Ongoing
	4. Sector Support and Planning	SPO 6 – Enhance linkages and spill-overs among productive sectors.	1.9 Conduct public awareness programmes on TCM Sector in accordance with Communication Strategy.	MCIL (TCM-CU)	Ongoing
	3. Market Access/ Promotion	SPO 4 – Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export	1.10 Participation in international trade negotiations and conducting/facilitating of trade and investment promotion missions	MFAT (Trade)	Ongoing – Japan trade mission in 3Q2016 and New Zealand Business mission in 4Q2016 UNIDO meeting on Future of Manufacturing in 4Q2016

EIF OUTCOMES	TCM-SP PILLAR	TCM SECTOR POLICY OBJECTIVE	ACTIVITY	IMPLEMENTING AGENCY	STATUS
2. Mainstreaming trade in the Strategy for the Development of Samoa and sector plans enhanced	4. Sector Support and Planning	SPO 6 – Enhance linkages and spill-overs among productive sectors.	2.1 Aligning the TCM Sector M&E to the Samoa Monitoring, Evaluation & Reporting Framework (SMERF)	MCIL (TCM-CU) & MOF (EPPD)	Ongoing
	4. Sector Support and Planning	SPO 6 – Enhance linkages and spill-overs among productive sectors.	2.2 Continue to advocate TCM Sector initiatives in order for them to be streamlined in other Sectors and their plans	MCIL (TCM-CU)	Ongoing
	4. Sector Support and Planning	SPO 6 – Enhance linkages and spill-overs among productive sectors.	2.3 TCM Coordination Unit participation in Sector Coordinators' Forum	MCIL (TCM-CU) & MOF (EPPD)	Ongoing
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	2.4 Develop the new TCM Sector Plan FY17/18-FY20/21 in line with the SDS FY16/17-FY20/21	MCIL (TCM-CU)	Ongoing – target launch in June 2017
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	2.5 Review the capacity of the TCM Steering Committee to ensure effective decision-making and implementation of sector initiatives	MCIL (TCM-CU)	Ongoing
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	2.6 Updating of the DTIS together with conducting a Savaii scoping mission and detailing of success stories	MFAT (Trade) & MCIL (TCM-CU)	DTISU completed in August 2016 (published on 30 January 2017) and Savaii Scoping Study completed in June 2016.

EIF OUTCOMES	TCM-SP PILLAR	TCM SECTOR POLICY OBJECTIVE	ACTIVITY	IMPLEMENTING AGENCY	STATUS
3. Aid for Trade to Samoa increases, and its effectiveness improves in line with the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action	4. Sector Support and Planning	SPO 6 – Enhance linkages and spill-overs among productive sectors.	3.1 TCM-CU to continuously seek bilateral and multilateral funding for TCM Sector initiatives	MCIL (TCM-CU)	Ongoing – currently working with NZAid and ADB for private sector and trade investment; Australia with labour and employment creation
4. Priorities of the DTIS as reflected in the TCM Sector Plan implemented	3. Market Access/ Promotion	SPO 4 – Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export	4.1 Participation in international Aid for Trade forums and negotiations	MFAT (Trade)	Ongoing – WTO AfT M&E questionnaire submitted by Samoa in September 2016.
	2. Processing and value-adding	SPO 5 – Create a conducive environment for industrial development and boost the manufacturing sector in Samoa	4.2 Development of the national CODEX Strategy and submission to the International CODEX Alimentarius Body	MCIL (FTCD)	Ongoing – Plan to be launched in March 2017
	1. Industrial Supply and Productivity	SPO 2 – Enhance an enabling environment for the private sector as the main engine for economic growth and enhance its productivity, value	4.3 Developing, publishing and launching of the National Employment Policy (NEP)	MCIL (AELM)	Policy and Labour Market Employment System was launched in December 2016.

EIF OUTCOMES	TCM-SP PILLAR	TCM SECTOR POLICY OBJECTIVE	ACTIVITY	IMPLEMENTING AGENCY	STATUS
		adding and trade capacity			
	3. Market Access/ Promotion	SPO 4 – Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export	4.4 Review of the Foreign Investment Act (FIA) 2000 *Reserved List*	MCIL (IDIP)	Ongoing – Comments from the Foreign Investment Advisory Committee received
	1. Industrial Supply and Productivity	SPO 2 – Enhance an enabling environment for the private sector as the main engine for economic growth and enhance its productivity, value adding and trade capacity	4.5 Procure a TA to analyse value-chain of Tahitian lime in Samoa	SFA	To be completed before October 2017
	3. Market Access/ Promotion	SPO 4 – Boost Samoa's capacity to engage in and reap the gains from trade through enhancing competitiveness, reducing trade deficit to sustainable levels and promoting export	4.6 Procure a TA to carry out a feasibility and implementation study for special economic zones	MCIL	To be completed before October 2017

EIF OUTCOMES	TCM-SP PILLAR	TCM SECTOR POLICY OBJECTIVE	ACTIVITY	IMPLEMENTING AGENCY	STATUS
5. Programme management monitoring and evaluation carried out effectively	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	5.1 Submit quarterly financial reports to the Trust Fund Manager	MCIL (TCM-CU)	Ongoing – submission every quarter
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	5.2 Conducting of the Annual Sector Performance Review	MCIL (TCM-CU)	Ongoing – Sector Review Report for 2016 to be circulated in 1Q2017. The sector review for 2016 will also be done in collaboration with the overall review of the TCM Sector Plan 2012-2016. This also includes the evaluation of Samoa-EIF Tier 1 project. To be completed by March 2017.
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	5.3 Audit	MOF (ACDM)	Audit report for CY 2015 submitted on 25 October 2016
	4. Sector Support and Planning	SPO 1 – Strengthen sector policy, legal, regulatory and strategic planning	5.4 Mid-term evaluation of the Tier 1 project (National Institutional Arrangement) for Samoa	MCIL (TCM-CU)	The sector review for 2016 will also be done in collaboration with the overall review of the TCM Sector Plan 2012-2016. This also includes the evaluation of Samoa-EIF Tier 1 project. To be completed by March 2017.

Analyze and report progress in achieving outcomes as measured by the indicators (verify against your project logframe). ***Please state all the four outcomes with their respective indicators and explain the extent of achieving the indicators.***

- *Evaluate the overall progress –or setback – of the project against the work plan and log frame during the period.*

Table 20: Logical Framework (EIF-TIER1-WSM-001)

GOAL	INDICATORS	BASELINE	TARGET	STATUS
Enable Samoa to use trade as an effective instrument for human development by strengthening trade institutions, enhancing capacities for mainstreaming trade, and increasing Aid for Trade and its effectiveness in line with the Paris Declaration and Accra Agenda for Action	Per capita growth rate	Zero growth rate (2010)	Per capita growth rate averages 3 per cent over the life of the project	In terms of macroeconomic performance, growth has been impacted by the natural disasters of 2009 and 2012 and was reflected in the contraction of GDP to -1.1% in 2012/13. However, the reconstruction following Cyclone Evan as well as hosting major events including the 2014 Small Islands Development States (SIDS) Conference and 2015 Commonwealth Youth Games has resulted in slightly improved total GDP noting a growth of 1.9% and 1% in 2013/14 and 2014/15 respectively (refer Figure 3). Average GDP growth for the 5-year period to 2014/15 is 1% compared to the targeted growth of 3-5% per annum envisaged in the SDS 2012-2016. Negative growth of -0.104% is envisaged for 2017 which aligns with the planned closure of Yazaki in 2017. However, notwithstanding another major natural disaster, the Samoan economy is expected to grow at an annual average rate of 3% for the 2017 to 2021 period based on the DTIS Team optimistic scenario estimates where the growth will mainly be driven by services industries such as tourism, labour services, telecommunications and financial services. The pessimistic growth scenario which factors a natural disaster occurring during the period will result in an annual average growth rate of 2% with an expected recovery period of 2-3 years.

	Proportion of the population below the basic needs poverty line (BNPL)	26.9 (2008)	Proportion of population below the BNPL falls by 10 per cent	18.8% (2013/14)[1]
	Ratio of Share of poorest quintile (20%) to highest quintile	4.3 (2008)	Share of poorest quintile in national consumption increases by 10 per cent	3.8% (2013/14)[2]
	Gini coefficient	0.47 (2008)	Gini coefficient diminishes by 10 per cent	0.56 (2013/14)[3]
	World Bank *Doing Business* – trading across borders: a) Cost to export; b) Cost to import	a) Average 2007-2009: 820 USD per Container; b) Average 2007-2009: 848 USD per container	Samoa's cost to export and to import reduced by 15 per cent	a) Cost to export (Border Compliance) US$1,400 (DB2017); Cost to export (Documentary compliance) US$180 b) Cost to import (Border Compliance) US$900 (DB2017); Cost to import (Documentary compliance) US$230
	Value of merchandise exports	71.66 million tala (average 2007-2009)	Value of merchandise exports increase to 10 per cent of GDP at the end of the period	ST$87.12 (2015) Annual Stats for 2016 is not yet available, only monthly data report available. Total value from Jan to Sept 2016 amounts to – ST$79.66
	Goods exports as share of total exports	9.10% (2007, latest available)	Share of goods/ manufacturing exports increase to at least 10%	12.4% (2014) 13.3% (2015)

[1] Latest Samoa Hardship and Poverty Report 2013/14
[2] Above note 1
[3] Above note 1

PURPOSE (PROJECT OBJECTIVE)	INDICATORS	BASELINE	TARGET	STATUS
Enable Samoa to use trade as an effective instrument for human development by strengthening trade institutions, enhancing capacities for mainstreaming trade, and increasing Aid for Trade and its effectiveness in line with the Paris Declaration and Accra Agenda for Action	Degree of implementation of TCM sector plan	TCM sector plan completed in 2011	TCM sector plan implemented as per MTEF (to be established)	On-going – MTEF for FY2014/2015 to FY2016/2017 in place and will be reviewed by end of 2016 to fit in with the new TCM Sector Plan 2017-2020.
	Trade content of SDS 2013-2017	SDS 2013-2017 to be completed by 1 July 2012	TCM core indicators captured in SDS 2013-2017 M&E	The new SDS 2016/17-2019/20 was launched in Dec 2016.
	Aid for Trade to Samoa	Aid for Trade to Samoa: USD4 million (2009)	Aid for Trade to Samoa doubles over the life of the project	To date, EIF is the leading donor in Aid-for-trade projects, but there is other interest, particularly from New Zealand and Australia, as well as the Asian Development Bank and the World Bank.
	National budget allocated to the TCM sector plan implementation	National budget to TCM sector: N/A	National budget to TCM sector increased by 10 per cent	The national budget has now estimated for all personnel under EIF Tier 1 for the current financial year FY2016/17. This is to ensure the sustainability of the TCM Sector and Samoa-EIF initiatives.

- *Note problems/obstacles or positive developments that were met during the period, how they may have affected the target delivery and how they have been addressed.*
  Government procurement processes contributed to the delay of work. This is beyond TCM's control as government's processes are in place for crucial reasons and despite the need to speed up the work – these processes must be adhered to. This is addressed via more understanding of the Government Procurement Guidelines and possibly training on this document by the Ministry of Finance.

2.2 M&E and reporting

- *Please describe any M&E work, including reporting to Ministry and other stakeholders,* ***and integration of EIF results into Government reporting system.***
  The M&E Framework was developed together by the TCM-CU and Sector stakeholders. The developed framework was endorsed in principal by the TCM Steering Committee in April 2016. Monitoring work is ongoing and the Sector updates to the quarterly Steering Committees is the best mechanism to get everyone involved. For the new Sector Plan there will be a need to align the M&E framework to the Samoa Monitoring and Evaluation Reporting Framework (SMERF). We also anticipate the development of a monthly or quarterly newsletter for the Sector as an initiative towards public awareness.

2.3 Training and capacity building

- *Describe any progress made on the* ***development*** *of the capacity-building plan in line with the work plan.*
  Policy Development training in April 2016; Ongoing Public Service Commission training (Project Management, Monitoring and Evaluation, Computer literacy etc.); Ongoing Ministry of Finance training (Budget refresher courses, etc.); Ongoing participation in international capacity building courses.

- *Describe any capacity-building measure that was implemented during the reporting period. Include beneficiaries.*
  Policy Development Training conducted in April 2016 – Beneficiaries from MCIL, MFAT, SROS, SBEC, SCCI, TCM-CU

- *What were the outcomes (positive or negative) of such measures**?***
  TCM Sector officials and Sector stakeholders are now more aware of the policy development process and how to give evidence-based advice to the Ministerial level. All participants are also more aware about public policies and their rationale in the legal context of Samoa. The capacities of the TCM-CU officials have also significantly improved and they are more confident in carrying out their day-to-day work.

2.4 Sustainability and exit strategy

- *Please describe any actions taken towards the integration of the NIU or its functions into the Ministry framework.*
  The TCM-CU personnel under the Samoa-EIF Tier 1 project have now all been captured under the Government (MCIL) forward estimates in anticipation of completion of the Samoa-EIF Tier 1 project.

- *Please describe any progress regarding the implementation of the exit strategy for the project while sustaining the dynamics that it has initiated.*

The Sector Coordinator is paid from the local budget and the three Senior Officers under the EIF Tier 1 are estimated for in the Government of Samoa local budget. The TCM Sector Steering Committee is also in place as per Cabinet Directive and Sector is now formally established in-line with the sector-wide approach to planning (SWAP) initiative instituted by the Government of Samoa since 2005.

- *Please describe the Government's contribution to the project over time, including in-kind and financial contributions.*
  Office space, utilities, transport, salary of coordinator, other operational/overhead costs

2.5 Communication and dissemination

- *Describe outreach activities that have been undertaken (e.g., publicity, press, digital stakeholder engagement) and what has been the impact.*
  NIU continues to invite the other sectors and the business community to Steering Community. This is to ensure the increase of their participation in decision making for the sector as well as to be informed of the project's progress. This is also another way to reinforce our linkages with the private sectors and other development sectors.

  NIU took part in MCIL's Awareness Campaigns that was conducted in September 2016; the ONE MCIL AWRENESS DAY was another contribution towards the NIU Communication Strategy goals. The purpose of the campaign is to post awareness on the Ministry's roles and functions with presentations from all divisions, including the TCM Sector Unit.

  Monitoring work is ongoing and the Sector updates to the quarterly Steering Committees is the best mechanism to get everyone involved. We also anticipate the development of a monthly or quarterly newsletter for the Sector as an initiative towards public awareness.

- *Are there any good practices or lessons learned to share from outreach efforts that have been undertaken during the period?*
  The MCIL Awareness Day provides the opportunity for stakeholders as well as the public to raise issues/concerns on areas that the Ministry should look at in order to enhance its services to achieve its goals and vision.

  Putting the information out there is a constant request from the public, and we anticipate to address this via upgrading of the website and uploading as much information as we can for the public to access.

PART III:
FIDUCIARY AND ORGANIZATIONAL ARRANGEMENTS

3.1 Organization and fiduciary management of the project

- *Please describe and report on any significant procurement activities undertaken by the unit, including problems faced, during the reporting period.*

  The NIU has had its challenges in attracting consultants for some of its research and analytical studies for Samoa. For example, the Business Activity Survey consultancy job has been advertised for the last 9 months. There is a lack of local expertise or even the region on statistical expertise undertaking a business census. This was also the case for of the other consultancy work as mentioned in the implementation progress report.

- *Please describe any major organizational or fiduciary management issues that were faced during the reporting period, including efforts made to improve the organization/ management of the project.*

  As the implementation of Tier 2 projects commences there is a growing need for the Steering Committee to meet twice or more in a quarter as the need arises.

- *Please describe personnel and administrative management issues and progress.*

  Major changes to executive and management level in 2016.
  - New TCM Coordinator: Mr Muliufi Nickel who came on board in April 2016
  - MCIL's former CEO: Mrs. Peseta Margaret Malua who passed away in July 2016
  - New MCIL's CEO: Mr. Pulotu Lyndon Chu Ling, came on board in December 2016

3.2 Financial management

- *Please describe any major financial and accounting management issues that were faced during the reporting period.*
  - Delay in payment due to Government Processes;
  - Delay in implementation by Implementation Agencies of activities, hindering utilisation of funds;
  - Delay in procurement due to Government Procurement timeframe

- *Indicate any financial support/resources received from the Government and other donor sources.*

Table 21: Total Development Estimates FY16-17 – Linked Agencies (in ST$)

ORGANISATION	TOTAL FY16-17	GOVT APPROPRIATED EXPENDITURE	FOREIGN CAPITAL PROJECT GRANTS	FOREIGN SOFT-TERM LOANS	IN-KIND DONOR ASSISTANCE
Agriculture & Fisheries	39,767,891	13,343,083	14,420,415	12,004,393	-
Commerce, Industry & Labour	23,142,418	15,836,099	7,306,319	-	-
Communication & Information Technology	83,214,596	8,111,096	75,103,500	-	-
Foreign Affairs & Trade	42,666,735	21,104,049	-	-	21,562,686
Revenue	10,880,967	10,880,967	-	-	-

Table 22: Cash Grant Assistance FY2016-17 – Linked Agencies (in ST$)

PROJECT AID	IMPLEMENTING AGENCY	FY 2016-17
Private Sector Support (NZ/UNDP)	MCIL	-
Samoa Agriculture Competitiveness Enhancement Project (WB)	MAF	12,775,000
Agriculture Cyclone Response Project (WB)	MAF	1,466,183
Agribusiness Support Project (ADB)	MOF	7,792,750
Assistance in Development and Awareness of the Agriculture Sector Plan (SPC)	MAF	179,232
Enhanced Fruit Production & Postharvest Handling Systems Project (AUS)	SROS	196,600
Tourism Support Programme (NZ)	MCIL/SHA/STA	3,542,000
Integrating Climate Change – Tourism (GEF)	STA	768,674
Apia Waterfront Development Project (NZ)	STA/MNRE	1,000,000
ICT TA for the Connectivity Program (AUS)	MCIT	190,900
Samoa Connectivity Project (WB)	MCIT	32,704,000
Samoa Submarine Cable (ADB)	MCIT	42,208,600

3.3 Implementation of past ES/TFM recommendations:

- *Brief update on the status of the implementation of the ES and TFM recommendations (in the EIF Board approval letter or from previous missions).*

Samoa
Tier 1 Phase 1: Executive Secretariat (ES) and Trust Fund Manager (TFM) Mission Recommendations
July 2016
Key Recommendations

	Recommendation	Status
1	Submission of a NO Cost Extension (NCE) request to the Executive Secretariat accompanied by a justification note, a revised budget, and revised work plan. • Rationale of extension, reasons for delay envisioned timeline for completion of Tier 1 Phase 1. • The update work plan and budget must include planned activities associated with an envisioned timeline.	The No-Cost Extension was submitted and endorsed by EIF on 8 November 2016; the project now extends until Oct 2017.
2	**It is recommended the process if Tier 1 Mid Term Evaluation (MTE) commences, and that the NIU share draft Terms of Reference with the ES and TFM.** Recommends the use of the "Midterm Project Evaluation Guidance Note: For EIF Tier 1 Funded Projects: Support to National Implementation Arrangements".	Now in procurement phase – anticipate completion by March 2017.

3	It is recommended that special attention be given to the revision of the work plan, including modification caused by the pending activities contained in the Trade, Commerce and Manufacturing Sector Plan 2012-2016, and the inclusion of activities envisioned for the upcoming updated TCMU Sector Plan.	TCM is working in developing a Mid Term Review by the end of the 1Q of 2017. At the same time TCM-CU is working towards development of a new Sector Plan based on the revised DTIS report endorsed September 2016.
4	It is recommended that the NIU provide information relating to on-going and past consultancies, including documentation pertaining to evaluation of services procured and rendered.	Noted.
5	In line with good practice, preparation for the Tier 1 Phase 2 project proposal should provide an adequate time for consultations of an updated work plan and budget, evaluation and incorporation of the MTE recommendations, and deliberation with the private sector and international organization.	Noted.
6	After the conclusion of the MTE and taking into account its findings, it is recommended that the **Tier 1 Phase 2** work plan and budget be done through a consultative and inclusive process, taking into account national development plans, and the DTISU. • It is recommended that in addition to consultations at the NSC level, broader consultations with private sector organizations and development partners are held.	Noted.
7	In line with on-going practice, it is recommended that the Government of Samoa continue to transfer NIU funded staff to public sector budgets. It is recommended that these efforts be conveyed to the ES and TFM, and highlighted in the Tier 1 Phase 2 proposals.	Noted – all staff now recorded under local budget forward estimates in anticipation of the completion of EIF Tier 1.
8	It is recommended that narrative reporting be strengthened in line with the EIF's monitoring and evaluation log frame and guidelines.	Noted – the narrative reports have now returned to original MOU format as was signed off by Samoa and EIF.
9	Changes in the institutional structure of TCMU/MCIL should be officially communicated to ES and TFM	Noted.
10	In order to ensure timely submission of quarterly financial reports, the TCMU should obtain the official currency exchange rate from the Central Bank of Samoa (CBS) by the 15th calendar day of every subsequent month following the end of the quarter.	Noted – last 3 financial reports have been submitted on time.
11	As previously recommended, supporting documents have been filed for payments, with a few exceptions which have been pointed out to the TCMU. The TCMU should complete these files by adding the missing documents. • Several files do not have proof of payments since payments have been made via bank transfers through the financial software system to which	Noted – in collaboration with MOF.

	the TCMU finance officer has only limited access. It is recommended that in such cases the TCMU Finance Officer monitors the payment status through the system and add a note to the file making reference to the system as soon as the payment is made.	
12	The documents related to the revision of DTISU contract has not been filed, although the reason for revision was satisfactorily explained to the Mission. The Mission recommends that these documents which are now available with MFAT be added to the relevant file, and scanned copied be sent to TFM.	Noted – documents have been filed accordingly.
13	Audit reports should be submitted separately for Tier 1 and Tier 2. The 2015 Audit Report should follow the standard template, which should include the certified financial statements as well. The TCMU should liaise with MOF to obtain the certified financial statement to be included in the 2014 Audit Report, currently missing in the report.	Noted.
14	Future audit reports should be submitted in time, and hence preparations should start well in time.	Noted.
28	It is recommended that the recently validated and updated DTISU be finalized and shared with the ES, development partners and donors.	DTISU published on 30 January 2017. Noted.
29	It is recommended that discussion on DTISU Action Matrix implementation, including monitoring and evaluation of actions/measures by the government and/or with development partners be shared with the ES and compiled in the Narrative Reports. • It is encouraged that an initial discussion be had at the NSC level regarding the undertaking of an MTP that would facilitate development partner engagement in leveraging Aid for Trade resources.	Noted.

PART IV:
ANNUAL REPORT UPDATE

4.1 Outcomes/results of the project

Please complete as succinctly as possible:

4.1a Trade strategy

		YES	NO	REMARKS (SHORT NARRATIVE)
1	A trade strategy is formally approved and published (if yes, state year)	X		TCM Sector Plan 2012-2016 New TCM Sector Plan in development stage
2a	The trade strategy targets national competitiveness (i.e., identifies comparative and competitive advantages) and productivity improvements	X		Needs to re-prioritize
2b	The trade strategy targets national competitiveness only		X	The TCM Sector Plan encompasses the National Strategy Key Outcomes 3 – Export Products Increased and Key Outcome 5 – Participation of Private Sector in Development enhanced. Also supports Key Outcome 2 – Agriculture and Fisheries Productivity increased, as well as other cross-cutting Key Outcomes like 13 – Environmental Resilience Improved, and 14 – Climate and Disaster Resilience.
3	The trade strategy follows a sector-by-sector approach, including reference to quality standards	X		The Plan touches upon other Sectors, but those sectors have their own Sector Plans.
4	The trade strategy identifies links with poverty, gender and the environment	X		Links creation of employment opportunities to poverty reduction
5	The trade strategy had an effective stakeholder process during development	X		
6	The trade strategy links to other formally adopted national strategies	X		
7a	The trade strategy identifies key target markets, including reference to bilateral, regional and multilateral trade arrangements	X		
7b	The trade strategy identifies key target markets	X		
8a	The trade strategy includes issues relating to trade facilitation and infrastructure	X		
8b	The trade strategy is under development	X		
9	There is no trade strategy		X	
	Total Score	10	2	

4.1b Trade strategy implementation

		YES	NO	REMARKS
1a	Quality trade strategy implementation plan established with clear and measureable indicators	X		M&E Framework was endorsed by TCM Steering Committee in April 2016. Inspection work and site visits had already started and still on-going for remaining activities, mainly Tier 2 activities.
1b	Quality trade strategy implementation on target/ as foreseen	X		
2a	Mechanism to revise implementation plan **established**	X		Sector Planning Manual 2015; Samoa Monitoring & Evaluation Reporting Framework
2b	Mechanism to revise implementation plan **considered**			Not relevant (as answered in 2a)
3a	Progress in implementation (65 per cent or above of plan are implemented as foreseen)	X		Ongoing
3b	Progress in implementation (50 per cent or above of plan are implemented as foreseen)			Not relevant (as answered in 3a)
3c	Little progress in implementation; only a couple of priorities addressed if at all			Not relevant (as answered in 3a)
	Total Score	4		

4.2a Is there a national development plan (NDP) or poverty reduction strategy paper (PRSP)?

NDP: YES, PRSP: NO

4.2b If yes, when was it produced/ published? (Year)

NDP: Reviewed - SDS 2016/17-2019/20 (Strategy for the Development of Samoa)

4.3 Trade in PRSP and/or national development strategies

		YES	NO	REMARKS
1	There is an identifiable section in the PRSP/NDP relating to trade	X		SDS 2016/17 – 2019/20 launched in November 2016.
2	The DTIS cycle is aligned with the PRSP cycle		X	
3	The trade discussion is related back to, and informed by, the description and analysis of poverty at the beginning of the PRSP/national development strategy	X		The new revised SDS 2016/17-2019/20 launched Dec 2016, have had included priorities of trade strategy for the "whole of government" plans and developments.
4	The PRSP/NDP covers other national and international factors affecting trade (supply-side constraints, such as infrastructure, demand-side constraints,	X		

	such as market access, and trade issues relating to local and regional markets in addition to the international level)			
5	Trade is fully integrated into the key sector strategies	X		
6	Action plans for implementation are defined	X		Need to refine
7	A specific budget for implementation of the action plan is defined	X		Attached in Samoa EIF Financial Reports
8	Where the poverty analysis section of the PRSP (or where relevant in the national development strategy) discusses non-income aspects of the poverty, this informs the trade content of the document		X	
9	The PRSP/NDP discusses trade policy options explicitly (describing how they differ by productive sector, their different impact on vulnerable groups, explicit trade and gender linkages, and differentiations between consumers, producers and employees in an urban and rural environment)		X	
10	There is a description of how the content of the trade policy in the PRSP/NDP was formed		X	
	Total Score	6	4	

4.4a Are there other sectors (e.g., agriculture, rural development, industry, energy, tourism, transport etc.), with trade incorporated into their strategies?
YES

4.4b List of Sectors: The Government of Samoa consisted of 14 Sectors as they are individually housed under different ministries. The TCMU also aims to build linkages with other Sectors through collaboration and cooperative ways to formalize and project their goals and objectives.

<u>Economic Sectors</u>

- Agriculture Sector Plan 2011 - 2015 Vol I & II
- Trade, Commerce and Manufacturing Sector Plan 2012 - 2016 Vol I&II
- Finance Sector Plan 2012-2017
- Tourism Sector Plan 2014-2019

<u>Social Sectors</u>

- Law and Justice Sector Plan 2012 - 2016
- Community Sector Plan 2010 - 2015
- Health Sector Plan 2008 - 2018
- Education Sector Plan 2013 - 2018
- Public Administration Sector Plan 2014-2018

Infrastructure Sectors

- Energy Sector Plan 2012 - 2016
- Water and Sanitation Sector Plan 2012 - 2016
- Transport Sector Plan 2013-2018
- Communication Sector Plan (draft form – needs to be updated)

Cross Cutting Sector

- Environment Sector Plan 2013 – 2016

4.5 Public-private sector coordination mechanisms

		YES	NO	REMARKS
1	Public/private consultation mechanisms on policy formulation and implementation are operating regularly (at least every six months)	X		The newly revised Trade, Commerce & Industry Board (TCIB) is a dialogue between public/private bodies. Last meeting was held November 2016. Meetings held quarterly. The TCM Steering Committee also holds meetings quarterly.
2	The consultations are chaired at Ministerial level with high-level participation across the relevant Government agencies.	X		CDC – Cabinet Decision Committee held every 2 months and chaired by the Prime Minister (Only attended by government ministries and SOEs) TCIB – chaired by Minister of MCIL TCM-SC – co-chaired by CEOs of MCIL and MFAT
3	The decisions taken by these meetings are followed up upon with an implementation plan, including monitoring	X		Yes – as noted in endorsed minutes.
4	The decisions taken by these meetings are followed up upon but **without** an implementation plan	X		Done by National Planning officer
5	A full range of interest groups, including women's business groups, is included in the consultations	X		
6	The private sector can initiate consultations on matters of relevance to the private sector	X		
	Total Score	6		

4.6 Government-donor coordination on trade-related matters

		YES	NO	REMARKS
1a	Two or more development partner/Government formal meetings are held per year where trade is included as a specific agenda item	X		Donors directly approached; or when they review their investments.
1b	One development partner/Government formal meeting is held every two years where trade is included on the agenda			Not relevant (as answered in 1a)

1c	No development partner/Government formal meetings are held where trade is included on the agenda		X	CDC sessions conducted quarterly;
2a	These meetings address trade policy issues and greater coordination of donor interventions.		X	
2b	These meetings address **only** greater coordination of donor interventions **but no** trade policy issues		X	
2c	Minimal coordination of donor interventions	X		
3a	High-level Government participation (at Ministerial level) at these meetings is the norm	X		CDC
3b	High-level Government participation (at Ministerial level) at these meetings is not consistent			Not relevant (as answered in 3a)
3c	High-level Government participation (at Ministerial level) at these meetings is minimal			Not relevant (as answered in 3a)
4	Where it exists, trade is part of the budget support matrix	X		Refer to GoS forward estimates
	Total Score	4	3	

4.7a Moreover, to support that your country receives from the EIF, is there any other source of trade-related support in your country?
YES

4.7b If yes, please list the source(s):
Refer to Tables 3 and 4 above.

4.8a Is there an action plan or strategy that integrates all trade-related support to your Government and coordinates the activities?
Joint Policy Action Matrix (JPAM)

4.8b Does this action plan or strategy integrate cross-cutting issues like gender and the environment?
Gender: YES
Environment: YES

4.8c Is there a Government unit/parastatal that coordinates such trade-related support?
YES – The Aid Coordination Division is located and housed under the Ministry of Finance; MFAT (Trade Division) – Focal point

4.9a Are donor trade-related activities based on the countries' DTIS Action Matrix priorities?
YES

4.9b If yes, please list the donor and related DTIS Action Matrix priorities?
We hope to present the DTISU as the guiding document for National Trade needs to development partners. In this regard, the DTISU details the gaps and challenges that the trade sector faces in Samoa.

4.9c Are there trade-related initiatives that are managed by at least two donors? (Examples include needs assessment, strategy formulation, joint project programming, pooled funding etc.)
No

If yes, please list the donors and trade-related initiatives

4.10 Medium-term implementation plan

		YES	NO	REMARKS
1a	Costed medium-term EIF/Aid for Trade (AfT) programme, indicating priorities and sequencing, has been developed and validated by the NSC			Answered in 1b
1b	Costed medium-term EIF programme, indicating priorities and sequencing, has been developed and validated by the NSC; some AfT needs may still be outside of this programme	X		MTEF developed in 2014 for the period 2014-2016
1c	Costed medium-term EIF programme has been developed and validated by the NSC			Answered in 1b
2a	Medium-term programme is part of the NDP			Not relevant (as answered in 2b)
2b	Medium-term EIF programme is linked (or being linked) to the NDP	X		
2c	Efforts are underway to link the medium-term programme to the NDP			Not relevant (as answered in 2b)
3a	Medium-term programme has been developed in consultation with the donor community (with Donor Facilitator (DF) as key counterpart)			Not relevant (as answered in 3b)
3b	Medium-term programme has been developed in consultation with the DF	X		The previous MTEF is completed and we now need to develop MTEF for 2017/18 – 2020/21
3c	Medium-term EIF programme has been developed (or is being developed) in consultation with the DF			Not relevant (as answered in 3b)
4	Medium-term EIF/AfT programme is part of the Government-donor dialogue	X		
5	No actions have yet been taken to develop a medium-term EIF programme		X	
	Total Score	6	1	

4.11 What are the AfT flows to your country for the following years?
AfT flow: Refer to Tables 3 & 4 for more information.

Remarks: This information is from the Government forward estimates. There is no specific AfT line, but we have lumped together Sector, and development assistance that are most relevant to Trade.

4.12 Please list projects and associated amounts funded by donors that are related to the DTIS Action Matrix

	Project Title	Amount ($)
1		
2		

Remarks: Refer to comment in 4.9b

4.13 Work plan of the project:

- Please describe any significant changes that occurred during the reporting period in the implementation of the work plan as described in project proposal.
  The TCM-CU implementing agencies and key stakeholders continue to sustain the application of the Value Chain Approach in the Sector Plan implementation:
  1. Industry Supply & Productivity
  2. Value Addition and Processing
  3. Market Access
  4. Sector Planning & Support

  To align the Tier 1 project with the EIF aim, most of the activities in Tier projects were implemented to lift the standard of capacity building in areas of trade related innovations and initiatives from divisions, agencies and stakeholders. Under the Tier 1 project the majority of activities are in-line with the work plan approved.

  Re-alignment of initiatives to the original Project MOUs is a significant change that has been done. Furthermore, the no-cost extension that was approved in November 2016, changed some activities to better fit Samoa's current priorities.

4.14 Risk analysis:

- Given the developments that occurred in the context and status of the project during the reporting period, how do you evaluate the *main risks* that the project has to address if it is to achieve its objectives?
  The best way to address risks is to have a responsive monitoring and risk management framework. In this regard, the TCM-CU envisages the development of a risk management tool into its Monitoring & Evaluation framework to better respond to risks.

4.15 Stakeholders' and partners' perspectives:

- Please indicate with examples stakeholders' participation in project implementation and their expectations.
  Stakeholders are members of the TCM Steering Committee, at the same time they are leading agencies and key stakeholders of the project.

- Please report partners' perspectives, their participation in the implementation of project activities and benefits from the project. This should include the Government partners, private sector and civil society.

  The following are issues and recommendations from TCM Sector stakeholders, noted in the second Annual Review:

  Outcomes of the review:

  1. **Linkages:**
     - Better coordination among sectors and donors
     - Encourage the value chain approach and linkages.
     - Consider developing a one Productive Sector Plan to include the Agriculture Sector and other relevant sectors.
  2. **Reduce Cost of Production:**
     - Consider factors to reduce cost of utilities and increase access to finance
  3. **Market Access:**
     - Improve product quality to meet market standards.
     - Improve product innovation and branding.
  4. **Exit Strategy/Financial Support:**
     - Consider the availability of funds for sustaining implementation of projects.
     - Consider more Government support and commitment to the Sector Plan
     - Finalize Monitoring & Evaluation Framework as a tool for monitoring project activities and implementation.
     - Develop a Communication Strategy to improve awareness mechanism i.e. consultations, newsletters

- Please report future perspectives of the project based on the NIU and Ministry's assessment.

  MCIL notes the transitional period of five years for Samoa (as a graduate from LDC status) as a beneficiary of EIF. We also note these five years come to an end in January 2019. Moreover, we note the Samoa-EIF Tier 1 MOU ends in October 2017.

  In this regard, the Ministry has taken action to absorb the existing personnel under the Samoa-EIF Tier 1 project, once the project completes. The TCM Sector has also established itself as a driving force behind the economic development of Samoa. All the sub-projects that has been done under Samoa-EIF Tier 1 will be accordingly absorbed and done under the local budget.

  The NIU envisions continuous and stronger commitment from the Sector implementing agencies. In this regards, the NIU will continue to do its job of securing assistance (financial and technical) from development partners to assist implementing agencies and stakeholders in carrying out their activities that directly relate to the Sector.

  Furthermore, MCIL foresees the TCM-CU/NIU as the central division responsible for coordinating and management of donor-related projects in the trade, commerce and manufacturing sectors of Samoa.

***

ANNEX TWO – EIF TIER 2 ANNUAL REPORT

Enhanced Integrated Framework (EIF)
for trade-related assistance for Least Developed Countries (LDCs)

Technical/Narrative Report Template

Tier 2 Annual Report2016

Submitted by the National Implementation Unit (NIU) to
The Executive Secretariat (ES) for the Enhanced Integrated Framework
and the EIF Trust Fund Manager (TFM)

EIF Tier 2 (Samoa)

***

Project title:	TRADE SECTOR SUPPORT PROGRAM (EIF-TIER2-WSM-001)
Date of approval by EIF Board:	30 April 2014
Date of signature of MoU:	13 June2014
Starting date:	21 Nov 2014
Duration of project:	3 years
Total project budget:	USD$2.9m
Amount received under this Agreement(US$):	USD$1.35m
Amount received from other sources of funding:	XXXXX
Contribution of [Government]:	USD$137,412
Type of report:	Annual Report
Time period covered by this report:	Jan – December 2016
Amount spent during the period (US$):	USD$830,779.56

***

Date:	31 January 2017
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Ministry of Commerce Industry & Labour Samoa

Pulotu Lyndon Chu-Ling
CEO MINISTRY OF COMMERCE, INDUSTRY &LABOUR

PART I

1. SITUATION ANALYSIS AND STATUS

1.1. Overview of the country situation in project implementation

Please briefly describe any significant economic, social, political and trade developments that influenced project implementation in the reporting period.

Further to the issues outlined in the Semi Annual Report 2016, listed below are specific developments that has influenced implementation in the reporting period.

Administration changes for the TCM Sector

- Recruitment of new Chief Executive Officers: Mr Pulotu Lyndon Chu-Ling for MCIL and Mr Tilafono David Hunter (former CEO for SROS) for MAF.
- SROS will be required to recruit a new CEO, who will also be responsible for the continuation of SROS' component under the EIF project.

Launching of the new SDS 2016/17 – 2019/20

The new Strategy for the development of Samoa was launched in December 2017.

Agriculture Sector Plan

The Agriculture Sector launched its new Sector Plan for the next 5 years, which provides a more integrated approach to its work activities with other sectors. The TCM Sector is one of the major stakeholders leading the committee that deals with production and marketing of produces. The objectives of this new sector line align well with the Trade Sector's vision to increase gains through the value chain approach. With activities becoming more coordinated between these sectors, great success is expected in the near future.

Yazaki Closure

Yazaki Samoa, is one of the major employers in Samoa, has announced the shutting down of its operation in Apia by the end of 2017. More than 700 employees will become unemployed at the end of the phase out period.

Trade and Investment missions

The sector hosted three trade talks/investment missions this year. The 2Samoa trade talks were conducted in May 2016 between Samoa and American Samoa. American Samoa is the leading export market for Samoa and the talks discussed issues relating to permits/visa, meat export, and trade procedures.

The Samoa-Japan Trade and Investment mission was held on 29 July 2016. This two days' event provided opportunities to the private sector to network with Japanese businesses, in pursuit of future markets and possible investors.

The New Zealand trade mission was co-hosted by the Government of Samoa and the Samoa Chamber of Commerce. Held in November 2016, the trade mission was jointly led by the Ministry of Foreign Affairs of both Samoa and Japan.

National Census 2016
The National Census commenced in November and delayed the TSSP's statistical work.

NZ Government Cocoa Project
The New Zealand Government is looking at ways to strengthen the cocoa industry in Samoa. This fits into interests from one of their biggest chocolatiers (Whittaker's) to explore and further develop products from the Samoan Koko (cocoa). This SCCI and STEC's cooperative Cocoa project coincided with the replanting component of the EIF project, currently under the STEC's supervision.

1.2. Effects on project objectives

Please describe how the above changes affected or will potentially affect the project objectives.

Administration changes for the TCM Sector
MAF and MCIL have taken on board new Chief Executive Officers; TCM foresees the work between ministries and sectors to be more integrated, which would assist the implementation of the project as well as achieving expected results.

Launching of the new SDS 2016/17 – 2019/20
The SDS document outlines overarching key objectives for each sector to realize within the next four years. To continue on from the previous theme "*An improved quality for all*," the newly launched SDS' theme focuses on "*Accelerating Sustainable Development and Broadening Opportunities for all*." The sector will therefore take on board the revised theme, together with its relevant objectives outlined in Outcomes 2, 3 and 5, when drafting its next Sector Plan. Activities will be tailored towards the theme and the provided key outcomes, to ensure that the appropriate results will be achieved within the set timeframe.

Agriculture Sector Plan
It became apparent throughout the various consultations that there were various cross cutting issues which required a collective response from streamlined ministries and relevant stakeholders. This issue lead to the development of a sector plan produced by the Agriculture Sector, which reflects on the strategies which require collaboration from all stakeholders within the sector. MCIL (TCM) has since been selected to Chair one of the major components of this sector plan SPO3 (To enhance private sector capacity in improving production, productivity, product quality, value adding and marketing), and it is anticipated that all future works will be more effective in eliminating the issues.

Yazaki's Closing
The closing of the Yazaki operations this year, has the following impact on the economy:

What is the status of the Yazaki plant?	Yazaki Samoa will cease all of its operations by December 2017 and the company are preparing final payment packages for the 740 employees. The employees would be given lump sum amount (equivalent a year's salary in their current positions) as a severance package. They will also be provided with necessary support which includes up-skilling, re-skilling, life skill training and opportunities offshore[4].
How has the winding down of its operations progressed?	
When is the Yazaki plant expected to fully cease operations?	

[4] Yazaki EDS Public Statement on close of business, 12 October 2016.

What is the share of the Yazaki plant production in "other manufacturing"?	50% of "other manufacturing" – if "other manufacturing" has amounted to an average 6% of GDP over the past five years, and closure of Yazaki has an impact of 3% on GDP.
How will the plans for the Yazaki plant affect your GDP forecasts in the short to medium term?	A 3% of GDP (other manufacturing) to be sliced off Samoa's growth in the short to medium term.
Do you anticipate any "secondary" effects from the closure of the Yazaki plant (for example, possible impact on the costs of imports?	Another 3% taken off to take into account secondary effects for other services such as land transportation (land carting and freight, sea freight (loss of Yazaki sea export freight), staff bus transportation, catering, other related services).

Trade talks and Investment missions

Trade talks and investment missions are held to boost the trade capacity of Samoa, as well as link the private sector to markets. The long-term impact of these on the project is market connection and trade enhancement. The 2Samoa talks looked at ways to better facilitate trade between the two countries. Moreover, the PACER-Plus is an ongoing RTA in the Pacific that looks at closer economic relations amongst the Pacific Islands and New Zealand and Australia. The end target of the TSSP is to boost supply and productivity, to enhance trade, and these will be directly impacted by the ongoing trade negotiations.

The missions that were hosted by Samoa with assistance from EIF Tier 1 also exposed the work done under the TSSP to potential investors from Japan and New Zealand.

National Census 2016

The National Census commenced in November which delayed some of the TSSP's statistical work.

NZ Government Cocoa Project

This project will complement the work done by the TSSP especially in the cocoa industries. The project will mainly deal with cocoa clusters in Savaii. The initial scoping stage is led by an Agricultural consultancy firm from New Zealand, and the Samoa Chamber of Commerce and Industries (SCCI).

PART II

2. IMPLEMENTATION UPDATE

2.1. Overview Results

Outline the key activities of the project against the work plan during the reporting period as well as achievements vis-à-vis planned outputs. Please state each activity as in the work plan and explain the status of implementation.

Summary against Work Plan

Table 23: Proposed Work-plan (EIF-TIER2-WSM-001)

Outcome/Component 1: Strengthened sector policy, legal framework & planning								
Programme Outputs	**Activities**	**2015/16**		**2016/17**				**Status**
		Q3	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	
1.1 - Coherent sector wide policy and planning framework with clear and feasible targets and M&E indicators	1.1.1 Develop and monitor sub-contracts with key implementing agencies							On-going – in line with MOUs
	1.1.2 Procurement of programme vehicles to assist with monitoring and site assessments							The vehicles are directly used for project implementation. The maintenance costs (insurance, petrol, servicing, etc.) are also absorbed by the agency that the vehicles have been allocated to.
	1.1.3 Implementation of industrial policy to provide over-arching direction for industrial development in Samoa							The procurement of this TA will be done in this 1Q2017.
	1.1.4 Annual auditing of programme funds							Q42014 and 2015 Audit completed in June 2016, and was accordingly submitted to UNOPS. Audit for 2016 is in the pipeline for June 2017.
	1.1.5 Midterm and final evaluation of programme							The Review of the TCM Sector Plan 2012-2016 will cover the mid-term evaluation of the TSSP.

1.2 - Correct and updated statistics to measure performance of TCM sector plan	1.2.1 Provision of IT equipment to centralise sector related data							Minor changes made to the activity. MCIL is in the progress of recruiting a TA to develop an online centralised database. Project will commence 2Q2017.
	1.2.2 Procure TA to conduct GIS mapping of trade production areas, building on cocoa & coconut, & trade in services							This activity is subject to MNRE finalising MOU for use of LiDAR maps. MNRE is still in the preparation phase of their MOU.
Outcome/Component 2: Enhanced Private Sector Development								
Programme Outputs	**Activities**	**2015/16**		**2016/17**				**Status**
		Q3	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	
2.1 - Improved business environment (cost of doing business, procedures, commercial processes etc)	2.1.1 Finalise and implement business activity survey through SBS							Business Activity Survey (BAS) completed SBS will also recruit a TA to develop a Business Integrated Database Framework. This will ensure the sustainable availability of BAS data for sector analysis.
	2.1.2 Develop and implement trade facilitation/ export promotion activities							Trade Promotion Officer based in SCCI continues to assist the private sector with connection to overseas markets. Feedback from the business community showed positive impacts of his contribution through creating awareness on trade and processes in place to create a conducive trading environment. (Refer to Attachment 1 for SCCI reports)
2.2 -Enhanced effectiveness and efficiency of Private Sector Support	2.2.1 Implement Export Development Scheme							Documentation for the program is in place – awaiting negotiations with Commercial Banks and re-establish collaborations with stakeholders before implementation.
2.3 -Enhanced capacity of private sector productivity, capacity utilisation and	2.3.1 Provision of capacity building funding to SROS to assist implementing agencies with value adding of cocoa & coconut							Appropriate technology has been identified; SROS will mobilise to procure by end of Q22017. This will inform SROS's decision on capacity/products needed for R&D of

access to finance and technology								selected products. (Refer to Attachment 2 for SROS reports)
Outcome/Component 3. Increased Foreign Trade								
Programme Outputs	**Activities**	**2015/16**		**2016/17**				**Status**
		Q3	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	
3.1 - Enhanced value and quality of services trade and access to foreign markets	3.1.1 Implement surveys to update baseline data and export pathways for at least two services							Activity completed by CBS with assistance from IMF.
Outcome/Component 4: Improved Manufacturing & Linkages								
Programme Outputs	**Activities**	**2015/16**		**2016/17**				**Status**
		Q3	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	
4.1 - Increased value added in manufacturing output and exports	4.1.1 Develop cluster approach for cocoa & coconut							STEC continuing replanting project, with maintenance work exceeding 500 acres and replanting reaching 200 acres by end of 2016. (Refer to Attachment 3 for STEC reports)
4.2 - Improved consistency of inputs, quality and supply from the primary sector	4.2.1 Develop grading/ selection processes and a quality control system for cocoa & coconut							Appropriate technology has been identified; procurement and fabrication due to be completed by end of 2Q2017.
	4.2.2 Procurement of engineering services to finalise facility designs and costs							The WIBDI warehouse work was stopped by MWTI in October 2016 due to Code and structural non-compliance. The Project Manager (MMSM) was given the chance to rectify drawings and work done, where MWTI was still not satisfied with submissions. MMSM was terminated in December 2016 due to poor workmanship. The Tenders Board was accordingly advised of the termination and they assigned MWTI, WIBDI and MCIL to procure a new Project Manager. The new Contract Manager was procured in February 2017. The project

								manager will be tasked to execute remedial works and monitor the Contractor's work for the remainder of the project. (Refer to Attachment 4 for WIBDI reports)
	4.2.3 Construction of grading/ packing warehouses							Construction works for WIBDI will recommence in March 2017. STEC – will mobilise groundwork for their warehouse by end of 1Q2017.

Analyze and report progress in achieving outcomes as measured by the indicators (verify against your project logframe).
Please state all the four outcomes with their respective indicators and explain the extent of achieving the indicators.

Use EIF outcomes:

Table 24: Logical Framework (EIF-TIER2-WSM-001)

EIF Outcomes & Indicators	Overall Objective (Long Term Outcome)	Indicators	Baseline	Target (ten years out)	Source/ Frequency	Assumptions & Risks	Current Status
Outcome 1, Indicator 6: Number of EIF Countries with quality trade strategies implemented.	Revitalize exports & improve enabling environment for business development	Improved Balance on Goods & Services	-443.1 million (FY 2011/12)	-250 million	CBS Bulletin/ quarterly	Continued economic growth & political stability in Samoa; Capacity building in trade negotiation skills is sustained	-386.9million (FY15/16) -400.9million (FY14/15) -459.9million (FY13/14) -370.7million (FY12/13)
	Programme Purpose	**Indicators**	**Baseline**	**Target (by end 2016)**	**Source/ Frequency**	**Assumptions & Risks**	**Current Status**

	(Medium Term Outcome)						
Outcome 2, Indicator 1: Trade in PRSP and/or national development strategies.	To improve productivity, value-adding, competitiveness, income generation & fair trade	Improve balance on trade goods	-705.5 million (FY 2011/12)	-600 million	CBS Statistics	Value of trade in goods increases	-706.4 million (FY 2015/16)
		Improve balance on trade in services	262.4 million (FY 2011/12)	350 million	CBS Statistics	Value of trade in services increases	319.5 million (FY 2015/16)
	Programme Results (Short Term Outcomes)	**Indicators**	**Baseline**	**Target (by end 2016)**	**Source/ Frequency**	**Assumptions & Risks**	**Current Status**
Outcome 1, Indicator 3: Level of capacity of the NIU to perform fiduciary programme management function for Tier 1. Outcome 3: Indicator 2: Frequency of government & donor consultations on trade-related matters. Outcome 4: Indicator 1: Number of EIF Countries with implementation plan integrating DTIS/Action Matrix	1: Strengthened sector policy, legal framework & planning	Annual sector reviews undertaken by 2014	0	3 annual sector reviews	TCM Annual sector review reports	Sufficient qualified personnel at MCIL to produce reports & statistics; Lack of "whole of government" coordination & support for TCM initiatives	2 Sector Reviews completed in 2014 and 2015. The Annual Sector review for 2016 will be part of the review of the TCM Sector Plan 2012-16. The Annual Sector Review Report for CY2016 will be published before the end of 1Q2017.

priorities & indicating financing needs to be met through ODA.							
Outcome 2, Indicator 3: Functioning public/private consultation mechanism.	2: Enhanced Private Sector Development	Increase level of funding to private sector organizations by 30 % p.a.	150,000 (FY 2013/14)	250,000	GoS Annual Approved Estimates/ Budgets	GoS continues to provide funding to support PPP initiatives; Discontinuation of external funding	200,000 (FY 2015/16)
Outcome 2, Indicator 3: Functioning public/private consultation mechanism.	3: Increased Foreign Trade	Improve balance on trade in selected services	Transport: -80.63 million Travel: 310.73 million (FY 2011/12)	Transport: -50 million Travel: 400 million	CBS Statistics	Demand for transport & travel services grows	Transport: -62.88 million Travel: 406 million (FY 2015/16)
Outcome 2, Indicator 3: Functioning public/private consultation mechanism.	4: Improved Manufacturing & Linkages	Increase value of total domestic export commodities	32 million (2011/2012)	50 million	CBS Quarterly Bulletins SBS trade report/ monthly	Volume of merchandise exports increases; Shipping schedule remains stable & predictable; Level of investment in merchandise exports increase; Freight costs rise sharply as fuel costs rise	96.53 million (2015/16)
	Programme Outputs &Activities	**Indicators**	**Baseline**	**Target (by end 2016)**	**Source/ Frequency**	**Assumptions & Risks**	**Current Status**

	Output 1.1Coherent sector wide policy & planning framework with clear & feasible targets & M&E indicators **Activities:** 1.1.1 Develop & monitor sub-contracts with key implementing agencies 1.1.2 Procurement of programme vehicles to assist with monitoring & site assessments 1.1.3 Implement industrial policy to provide over-arching direction for industrial development in Samoa 1.1.4 Annual auditing of programme funds 1.1.5 Mid-term and final evaluation of programme	Functional sector MTEF	0	Established & annual updated sector MTEF	TCM Annual sector review reports	MTEF developed through Tier One; TSSC & TCM-CU not adequately resourced; Overlapping mandates between TSSC & TCIDB	MTEF FY 2014/15 to FY 2016/17 completed in 2014. Intended to be reviewed in 2Q2017.
	Output 1.2 Correct & updated statistics to measure performance of TCM sector plan **Activities:** 1.2.1 Provision of IT equipment to centralise sector related data	Functional sector M&E centralised & gender disaggregated database established	0	Established centralised M&E database	TCM-CU M&E database	Sufficient HR capacity & skills to collect analyse & maintain data; Institutional & technical knowledge lost through staff turnover.	System in place caters for the project depending on their nature. Spot checks, site visits and continuous monitoring takes place monthly.

	1.2.2 Procure TA to conduct GIS mapping of trade production areas, building on cocoa and coconut, and trade in services						Reports are compiled and filed at TCM secretariat before submission to EIF. Centralised database is in progress.
	Output 2.1 Improved business environment (cost of doing business, procedures, commercial processes etc) **Activities** 2.1.1 Finalise and implement business activity survey through SBS 2.1.2 Develop & implement trade facilitation/ export promotion activities	Establishment of baseline data through the Business Activity Survey	0	1	SBS Business Activity Survey	SBS has capacity to undertake the surveys; Funding sustainability	Completed in 2015. SBS intends to institute an integrated business database framework funded by the project to ensure the sector statistics are updated annually.
	Output 2.2 Enhanced effectiveness & efficiency of Private Sector Support **Activities** 2.2.1 Implement Export Development Scheme	Number of applicants approved under EDS	EDS = 0	20	EDS Annual Report	Government continues to support the Export Guarantee Scheme & other incentives; Eligibility & access criteria to GEG too stringent & not facilitative for applicants.	In the pipeline to be implemented by 2Q2017. Documentation for the program is in place – awaiting negotiations with Commercial Banks and re-establish collaborations with

							stakeholders before implementation.
	Output 2.3 Enhanced capacity of private sector productivity, capacity utilisation & access to finance and technology **Activities** 2.3.1 Provision of capacity building funding to SROS to assist implementing agencies with value adding of cocoa & coconut	Increase number of manufacturers utilising SROS services for cocoa & coconut processing & research	0	3	SROS Annual Report	Scientific research & market research is demand driven; SROS initiatives not commercially viable	WIBDI is constantly using SROS for research purposes. Samoa Breweries (private sector company) has adopted another SROS research on breadfruit flour for their goods (Vailima Natural Beer) Other private sector companies are now moving towards using of SROS for R&D purposes instead of overseas firms.
	Output 3.1 Enhanced value & quality of services trade & access to foreign markets **Activities** 3.1.1 Implement surveys to update baseline data & export pathways for at least two services	Number of established export pathways for selected services	0	2	CBS trade in services reports	Priority accorded by Government to trade in services; Capacity of identified agencies to collect, analyse & measure trade in services data	Conducted under IMF assistance.

	Output 4.1 Increased value added in manufacturing output & exports **Activities** 4.1.1 - Develop cluster approach for cocoa & coconut	Increase in production (volume) in cocoa & coconut clusters by 5% p.a.	Cocoa Coconut		TCM Annual sector review reports	Demand for commodities is sustained; No competitor from another country enters the same market; Production of high yield, climate resilient seedlings; Breakdown in any part of supply chain (supplier production, raw material collection, storage, processing, packaging, shipment, marketing, sales)	STEC continuing replanting project, with maintenance work exceeding 500 acres and replanting reaching 200 acres by end of 2016.
	Output 4.2 Improved consistency of inputs, quality & supply from primary sector **Activities** 4.2.1 - Develop grading/ selection processes & a quality control system for cocoa & coconut 4.2.2 Procurement of engineering services to finalise facility designs & costs	Number of packing/ processing warehouses	0	2	WIBDI Monthly Reports STEC's Quarterly Reports	Understanding by suppliers of need to maintain high quality standards; Damage to brand reputation if quality control/ food safety standards are not met	WIBDI warehouse to be completed in 2Q2017. STEC: currently working on a concept design for their warehouse. This will assist them in finalizing decisions on what they want before formalizing a warehouse design.

	4.2.3 - Construction of grading/ packing facilities						

Note problems/obstacles or positive developments that were met during the period, how they may have affected the target delivery and how they have been addressed.

- Government procurement processes contributed to the delay of work. This is beyond TCM's control as government's processes are in place for crucial reasons and despite the need to speed up the work – these processes must be adhered to.
- The recruitment processes also contributed to some delays experienced by the NIU. The pool of national experts is limited causing lengthy advertisements and procedures.
- IA's other institutional developments and commitments may have also slowed down the pace of the project activities. This was always expected hence allowing the flexibility to IAs throughout the year for their work to be manageable. Currently – TCM continues to offer more than just facilitating the project by providing administrative support and taking the lead with most of the projects.

2.2. M&E and Reporting

Please describe any M&E work, including reporting to Ministry and other stakeholders, ***and integration of EIF results into Government reporting system.***

Monitoring work of activities is on-going – assessing the progress of each activity whether they are in line with the requirements stipulated in contracts. Spot checks and site visits are conducted monthly. Reports must be approved by the Sector Coordinator prior to submission to CEO and the management for their information. TCM also provides progress reports of the project to the Minister through the Executive forum for his awareness and responses to Cabinet and Parliament.

The annual progress of the TSSP is also tabled together with the TCM Sector Update to the Cabinet Development Committee on an annual basis. The progress of projects are presented to Parliament through the MCIL Annual Report.

Moreover, Implementing Agencies are also obligated to submit quarterly reports on the progress of their respective activities and these reports are compiled for the information of the Steering Committee. The reports are appended herewith.

2.3. Training and capacity building

Describe any progress made on the ***development*** *of the capacity-building plan in line with the work plan.*

The role of the Trade Marketing and Promotion Officer housed under the Chamber of Commerce continues to benefit the private sector through awareness programs and trade fairs. His contribution to the policy department offers assistance to the business community by tending to their understanding and knowledge development regarding Trade agreements and various trade policies accompanied by graduating as a member of the WTO.

In terms of staff capacity development, Policy Development training was conducted in May furthering the knowledge of sector officials in public policy areas. Several other trainings were conducted by the Public Service Commission that afforded NIU staff with the opportunities to be part of particularly in the areas of finance and procurement as well as monitoring and evaluation.

Moreover, the NIU team members have been assigned to different development sectors where they are responsible to represent MCIL and the TCM Sector in Steering Committees and workshops. This is a way to expose the team to different sectors for their own self-development as well as to help them learn of ways to integrate with the Trade sector effectively.

Knowledge gained has become of great value to the secretariat as evident throughout the reported period.

Describe any capacity-building measure that was implemented during the reporting period. Include beneficiaries.

Beneficiary: Private Sector

The following are some (but not limited to) of the on-going activities implemented by the Trade Marketing Officer as reported in the last quarter:

- Provide information and advice on product development, branding, export requirements, labelling and packaging, and marketing services;
- Provide training (through the Chamber and one-on-one) on the areas listed above;
- Establish and nurture strategic partnerships with international institutions and organizations to facilitate growth in areas such as market access; research and development; certification and standards; and other;
- Facilitate and strengthen linkages and networks between farmers (suppliers), agro-processors, exporters, and international buyers, understanding both the value and supply chains;
- Provide and facilitate promotional support and market exposure through local, regional and international trade fairs (sponsored and self-funded);
- Profile and forecast existing and potential export markets;
- Explore and providing information on and administer business grants to support trade development.

Beneficiary: TCM-CU and TCM Implementing Agencies

Policy Development training was conducted in May furthering the knowledge of sector officials in public policy areas. Several other trainings were conducted by the Public Service Commission that afforded NIU staff with the opportunities to be part of particularly in the areas of finance and procurement as well as monitoring and evaluation.

What were the outcomes (positive or negative) of such measures? (Analysis from Trade Marketing Officer as follows)

The Trade Marketing Officer role, upon joining the Samoa Chamber of Commerce & Industry, has worked to formalize and promote the Chamber’s trade portfolio to its members and the wider private sector. Although initially conceived to focus on Trade Marketing, the reality of the members needs have proven to span the entire Trade Value Chain.

The Role has therefore adapted accordingly. In response to this the role has worked closely with the existing Chamber policy team to ensure member’s needs were considered and catered for. This collaboration has fortunately proven to be successful given that many of the issues that the policy team works on are trade related in one form or another. Collectively the trade and policy team have developed a very beneficial synergy.

2.4. Sustainability and exit strategy

Please describe any actions taken towards the integration of the NIU or its functions into the Ministry framework.

The NIU TSSP team will be absorbed by the Ministry of Commerce, Industry and Labour in anticipation to have its own output under the mainstream budget in the near future.

Please describe any progress regarding the implementation of the exit strategy for the project while sustaining the dynamics that it has initiated.

Trade, Commerce & Manufacturing Coordination Unit (TCM-CU)

The TSSP personnel (Principal Finance and Procurement Officer & Principal M&E Officer) has been put forward to Ministry of Finance (Budget) to be absorbed under the Government of Samoa local budget FY17/18.

Samoa Chamber of Commerce and Industries (SCCI)

By 2016, SCCI had expanded its policy team and decided to formally consider the Trade Monitor Officer (TMO) role as part of the wider policy team. As a representative of the organization, the role will continue its involvement with the TCM and the Trade sector to continue to capitalize on the developments that are already in place. Fortunately, the organization is associated with key partners such as ILO, FAO and PLP who will be supporting core activities under the role. Further revenue will be collected from fees which will be charged on the services delivered to the members and the private sector as a whole.

Scientific Research Organisation of Samoa

This project will be treated the same as other projects administered and driven by SROS. Whereby, all completed projects with commercial potential are publicly tendered out by SROS for investors to either buy out or partner up with SROS in commercialization.

The continuing R&D work associated with the project is expected to be marginal at the end unless another opportunity is identified requiring further funding. In that regard, SROS depending on its continued involvement will seek funding from other development partners like Australia and New Zealand, with a clear interest in supporting work (particularly: cocoa and coconut) in Samoa.

Women in Business Development Inc. (WIBDI)

The project MOU for WIBDI states that all assets and properties of the project will remain with beneficiary. Similar to the ownership arrangement as mentioned above – equipment will be transferred together with operational, maintenance and insurance liabilities to WIBDI. Moreover, given WIBDI is a NGO, they have indicated that they will continue to find donors that will build upon the work done under the TSSP.

Samoa Trust Estate Corporation (STEC)

STEC has mobilised on multiple initiatives to sustain and accelerate the benefits of the developments initiated under the TSSP project. STEC may be one of the major suppliers for the Serendi Samoa Coco Ltd which is a subsidiary of Dr Bronner's (USA-based organic toiletries and cleaning products company).

Statistics Bureau of Samoa (SBS)
The Business Activity Survey was conducted in the manner to update statistics for proper monitoring, evaluation and planning for the sector and the government as a whole. The execution of the survey was made possible through the support of the TSSP funds.

The Steering Committee approved the proposed Integrated Business Framework, an activity that will be focusing on the integration of business and commercial information from MCIL's major stakeholders such as Ministry for Revenue and Samoa National Provident Fund. The Terms of Reference for the activity affirms the formulation of a software system that will be used to upload and update the relevant information needed to assess business activities. This will ensure the unique identification of businesses, as well as the annual availability of Business Activity Statistics.

Please describe the Government's contribution to the project over time, including in-kind and financial contributions.
Office space, utilities, transport, salary of coordinator, other operational/overhead costs, support from Implementing Agencies of TCM-CU.

2.5. Communication and dissemination
Describe outreach activities that have been undertaken (e.g., publicity, press, digital stakeholder engagement) and what has been the impact.
The communication strategy was endorsed by the Steering Committee in its first meeting of 2016. However, the NIU feels that its commencement should wait for the launching of the new Sector Plan to promote awareness of the sector, its functions and proposed strategies.

In April 2016, the sector was invited to the Parliamentary Sector Briefing. This was a part of the induction programs for the new MPs to familiarise with sectoral works and also for their information of the implementation progress. The Sector Coordinator represented the TCM sector with the support of the MCIL executive team.

In September 2016, TCM funded the MCIL DAY for the Ministry, which also encompasses the Sector. The activity targeted private sector entities in both Upolu and Savaii. The objective of the activity was to "enhance public private partnerships to foster economic growth for all." The program provided attendees the chance to familiarize themselves with the services of the Ministry and the work done by the TCM Sector as well as understanding their role that they play in the economic growth of Samoa. Those who attended the activity commended the initiative and recommended to host more of its kind. This is a community outreach programme.

Alternative avenues offer stakeholders the opportunities to be informed such as the Steering Committee meetings and forums that are held on a case by case basis to discuss challenges faced by project. Stakeholders are also involved in the consultations and finalization of reports and studies conducted under the project. Other avenues including participation in other sectors' steering committees as well as the mandatory attendance to the National Sector Coordinator's Forum and the Cabinet Development Committee sessions.

The NIU strongly believes that in spite of the absence of traditional communication activities, the mechanisms in place are effective ways to reinforce our linkages with the private sectors and other development sectors.

The NIU is also working towards developing a quarterly newsletter for public awareness.

Are there any good practices or lessons learned to share from outreach efforts that have been undertaken during the period?
Rigorous communication campaign is needed to attain overall buy-in and public endorsement of project initiatives.

PART III

3. FIDUCIARY AND ORGANIZATIONAL ARRANGEMENTS

3.1. Organization and fiduciary management of the project

Please describe and report on any significant procurement activities undertaken by the unit, including problems faced, during the reporting period.

Due to government procurement guidelines – the transferring of allocations to responsible agencies in lump sum continues to be a challenge throughout 2016. For that reason, the NIU revisited the MOU and held meetings with the Ministry of Finance to realign their arrangement of funds with the MOU signed. There has yet to be a solid decision on this issue but negotiations are in progress.

Please describe any major organizational or fiduciary management issues that were faced during the reporting period, including efforts, made to improve the organization/ management of the project

Changes to personnel: NIU Coordinator, Focal Point and Donor Facilitator.

Please describe personnel and administrative issues management issues and progress.

Continuous training of personnel on government procedures to ensure smooth implementation of the project.

3.2. Financial Management

Please describe any major financial and accounting management issues that were faced during the reporting period.

- Challenges with the FinanceOne System – a request for training has been put forward to MOF.
- Delay in payment due to Government Processes;
- Delay in implementation by Implementation Agencies of activities, hindering utilisation of funds;
- Delay in procurement due to Government Procurement timeframe

Indicate any financial support/resources received from the Government and other donor sources.

Table 25: Total Development Estimates FY16-17 – Linked Agencies (in ST$)

ORGANISATION	TOTAL FY16-17	GOVT APPROPRIATED EXPENDITURE	FOREIGN CAPITAL PROJECT GRANTS	FOREIGN SOFT-TERM LOANS	IN-KIND DONOR ASSISTANCE
Agriculture & Fisheries	39,767,891	13,343,083	14,420,415	12,004,393	-
Commerce, Industry & Labour	23,142,418	15,836,099	7,306,319	-	-
Communication & Information Technology	83,214,596	8,111,096	75,103,500	-	-
Foreign Affairs & Trade	42,666,735	21,104,049	-	-	21,562,686
Revenue	10,880,967	10,880,967	-	-	-

Table 26: Cash Grant Assistance FY2016-17 – Linked Agencies (in ST$)

PROJECT AID	IMPLEMENTING AGENCY	FY 2016-17
Private Sector Support (NZ/UNDP)	MCIL	-
Samoa Agriculture Competitiveness Enhancement Project (WB)	MAF	12,775,000
Agriculture Cyclone Response Project (WB)	MAF	1,466,183
Agribusiness Support Project (ADB)	MOF	7,792,750
Assistance in Development and Awareness of the Agriculture Sector Plan (SPC)	MAF	179,232
Enhanced Fruit Production & Postharvest Handling Systems Project (AUS)	SROS	196,600
Tourism Support Programme (NZ)	MCIL/SHA/STA	3,542,000
Integrating Climate Change – Tourism (GEF)	STA	768,674
Apia Waterfront Development Project (NZ)	STA/MNRE	1,000,000
ICT TA for the Connectivity Program (AUS)	MCIT	190,900
Samoa Connectivity Project (WB)	MCIT	32,704,000
Samoa Submarine Cable (ADB)	MCIT	42,208,600

3.3. Implementation of past ES/TFM recommendations

Tier 2 Projects – Samoa, July 2016
Executive Secretariat (ES) and Trust Fund Manager (TFM) Mission Recommendations

	Recommendation	Status
1	It is recommended that the TCMU engage in a more proactive supervisory and managerial role in the "Trade Sector Support Programme" project – as stipulated in project proposal and subsequent approval.	Noted. TCM has been in the forefront of most projects. Most projects are in their ground work stage and full mobilisation will be realized soon.
2	Shifts in strategic management and/or changing priorities of the Tier 2 project need to be undertaken in close consultation and with the approval of the NSC. It recommended that these consultations include ES and TFM early in its process for programmatic and fiduciary compliance as stipulated by the project approval.	There has been only one case that involved changing of priorities. This has been settled and activities were re-aligned between IAs to ensure activities would not be made redundant upon completion. Moreover, TCM is working closely with IAs to avoid any more changes in the future. However, should there be future cases of similar nature – recommendation will be taken into account.
3	It is recommended that spot/unscheduled site visits be accompanied by reporting and its findings ought to be shared with the ES.	Please refer to appended reports for your relevant information. - 2 quarterly reports for STEC - 2 quarterly reports for WIBDI - 1 file-note for SROS - 1 quarterly report for SCCI
4	It is recommended that NIU compile a short briefing every quarter highlighting activities/outputs undertaken by all the sub-implementing entities during the quarter. The report should include envisioned outcomes	This mechanism is already in place, as per audit requirement of Quarterly reports. TCM has in place a different process with a similar intention. TCM receives the Quarterly reports on the second week of the first months of each quarter. These

	for the upcoming quarter, and on-going implementation bottlenecks (if any). It is recommended that these briefs be done in line with a quarterly meeting with all sub-implementing agencies.	reports are analysed and then discuss with IAs the challenges as well as the plans for the next quarter.
5	It is recommended that indicative dates for the mid-term evaluation of the project. It is recommended that the evaluation be undertaken prior to the end of 2016. It is recommended that consultations be undertaken between the NIU, ES, and TFM in defining a chronogram for carrying out documents and activities associated with the extension of the TSSP	TOR (Review of the Trade, Commerce & Manufacturing Sector Plan 2012-16) was circulated to ES and TFM in October 2016 for their comments, no comments were received. The MCIL CEO was also given a copy for his review prior to finalizing Tender Documents. The Review will roll-out in 2Q2017. The documentary will be submitted to ES and TFM in February 2017.
6	It is recommended that a more methodical exercise on data gathering be undertaken. Relevant output data and Informationof the project should be shared with the ES. Please see initial queries below. **STEC - Samoa Trust Estates Corporation** (1) current output (Coco, Coconut, and Coffee), since beginning of the project (if possible) (2) projected output (Coco, Coconut, and Coffee) after the conclusion of the project (3) number of workers recruited through EIF funding since the project implementation began (4) number of total workers currently active in STEC plantation (5) farming communities, youth associations, and church communities, and/or any other organizations currently hired through EIF funding **WIBDI - Women in Business Development Inc** (1) Information on current processing capabilities and expertise (2) information on expected processing capability after warehouse (3) current organizational structure (4) current distribution channels for coconut and cocoa (5) please refer to information requested through WIBDI application ACF grant **SROS - Scientific Research Organisation of Samoa**	These data were sent to EIF for the newsletter article on Samoa's progress with EIF activities. This information has been requested from the agencies and will be submitted in their quarterly reports for Q42016 which will be due in 20 Jan 2017. Nevertheless, the recommendation has been taken on board and data collection will be improved accordingly.

	(1) past collaborations with WIBDI on product development (2) current product development efforts (ex: gluten free products, coconut and VCO) (3) projected/future collaborations with TSSP implementing stakeholders	
7	Quarterly Financial Reports of (Sub) Implementing Agencies (IAs) should be obtained by TCMU and reviewed by the 15th ofsubsequent month following the end of the quarter. These quarterly reports from implementing entities should be separatelyshared with TFM and ES.	There has been an improvement on the submission of quarterly financial reports to EIF since the last mission. TCM send a request in the first week of the month after the end of the quarter. We had been submitting our reports on time.
8	Quarterly Financial Reports of appropriate IAs should separately show the interest earned and corresponding expendituresmet, as explained by the mission to the TCMU.	Noted.
9	Copies of Ledger showing transactions form EIF funds should be obtained from IAs together with their quarterly financial reports and reviewed by the TCMU.	IAs were accordingly informed of this recommendation.
10	Procurement plans should be prepared together with the Annual Work Plan and updated as required. Bulking goods for procurement should be considered whenever possible.	Work plan has been amended and updated to guide implementation.
11	Procurement files have been satisfactorily updated as recommended by previous TFM Mission, however, the letter of withdrawal of one of the bidders for the Business Activity Survey, KVA consultants, has been missing in the file. (This letter was cited by the previous TFM Mission). The Mission recommends that this letter be included in the file.	Noted for action. The KVA letter was in the file – attached to the Assessment Report.
12	As recommended by the 2014 Auditors the Asset Register is being maintained and updated. The Mission recommends that physical verifications be held at least on a semi-annual basis. The verifications should also include assets of IAs as well (The Mission was informed that IAs' asset verification is currently being done).	Noted.
13	The Mission noted that compulsory insurances have been obtained for all EIF vehicles. The Mission further recommends that Comprehensive Insurances need to be obtained.	Noted – IA's have been informed accordingly.

PART IV:
ANNUAL REPORT UPDATE

4.1 Outcomes/results of the project

Please complete as succinctly as possible:

4.1a Trade strategy

		YES	NO	REMARKS (SHORT NARRATIVE)
1	A trade strategy is formally approved and published(if yes, state year)	X		TCM Sector Plan 2012-2016 New TCM Sector Plan in development stage
2a	The trade strategy targets national competitiveness (i.e., identifies comparative and competitive advantages) and productivity improvements	X		Needs to re-prioritize
2b	The trade strategy targets national competitiveness only		X	The TCM Sector Plan encompasses the National Strategy Key Outcomes 3 – Export Products Increased and Key Outcome 5 – Participation of Private Sector in Development enhanced. Also supports Key Outcome 2 – Agriculture and Fisheries Productivity increased, as well as other cross-cutting Key Outcomes like 13 – Environmental Resilience Improved, and 14 – Climate and Disaster Resilience.
3	The trade strategy follows a sector-by-sector approach, including reference to quality standards	X		The Plan touches upon other Sectors, but those sectors have their own Sector Plans.
4	The trade strategy identifies links with poverty, gender and the environment	X		Links creation of employment opportunities to poverty reduction
5	The trade strategy had an effective stakeholder process during development	X		
6	The trade strategy links to other formally adopted national strategies	X		
7a	The trade strategy identifies key target markets, including reference to bilateral, regional and multilateral trade arrangements	X		
7b	The trade strategy identifies key target markets	X		
8a	The trade strategy includes issues relating to trade facilitation and infrastructure	X		

8b	The trade strategy is under development	X		
9	There is no trade strategy		X	
	Total Score	**10**	**2**	

4.1b Trade strategy implementation

		YES	NO	REMARKS
1a	Quality trade strategy implementation plan established with clear and measureable indicators	X		M&E Framework was endorsed by TCM Steering Committee in April 2016. Inspection work and site visits had already started and still on-going for remaining activities, mainly Tier 2 activities.
1b	Quality trade strategy implementation on target/ as foreseen	X		
2a	Mechanism to revise implementation plan established	X		Sector Planning Manual 2015; Samoa Monitoring & Evaluation Reporting Framework
2b	Mechanism to revise implementation plan considered			Not relevant (as answered in 2a)
3a	Progress in implementation (65 per cent or above of plan are implemented as foreseen)	X		Ongoing
3b	Progress in implementation (50 per cent or above of plan are implemented as foreseen)			Not relevant (as answered in 3a)
3c	Little progress in implementation; only a couple of priorities addressed if at all			Not relevant (as answered in 3a)
	Total Score	**4**		

4.2a Is there a national development plan (NDP) or poverty reduction strategy paper (PRSP)?

NDP: YES, PRSP: NO

4.2b If yes, when was it produced/ published? (Year)

NDP: Reviewed - SDS 2016/17-2019/20 (Strategy for the Development of Samoa)

4.3 Trade in PRSP and/or national development strategies

		YES	NO	REMARKS
1	There is an identifiable section in the PRSP/NDP relating to trade	X		SDS 2016/17 – 2019/20 launched in November 2016.
2	The DTIS cycle is aligned with the PRSP cycle		X	
3	The trade discussion is related back to, and informed by, the description and analysis of poverty at the beginning of the PRSP/national development strategy	X		The new revised SDS 2016/17-2019/20 launched Dec 2016, have had included priorities of trade strategy for the “whole of government” plans and developments.

4	The PRSP/NDP covers other national and international factors affecting trade (supply-side constraints, such as infrastructure, demand-side constraints, such as market access, and trade issues relating to local and regional markets in addition to the international level)	X		
5	Trade is fully integrated into the key sector strategies	X		
6	Action plans for implementation are defined	X		Need to refine
7	A specific budget for implementation of the action plan is defined	X		Attached in Samoa EIF Financial Reports
8	Where the poverty analysis section of the PRSP (or where relevant in the national development strategy) discusses non-income aspects of the poverty, this informs the trade content of the document		X	
9	The PRSP/NDP discusses trade policy options explicitly (describing how they differ by productive sector, their different impact on vulnerable groups, explicit trade and gender linkages, and differentiations between consumers, producers and employees in an urban and rural environment)		X	
10	There is a description of how the content of the trade policy in the PRSP/NDP was formed		X	
	Total Score	**6**	**4**	

4.4a Are there other sectors (e.g., agriculture, rural development, industry, energy, tourism, transport etc.), with trade incorporated into their strategies?

YES

4.4b List of Sectors: The Government of Samoa consisted of 14 Sectors as they are individually housed under different ministries. The TCMU also aims to build linkages with other Sectors through collaboration and cooperative ways to formalize and project their goals and objectives.

Economic Sectors

- Agriculture Sector Plan 2011 - 2015 Vol I & II
- Trade, Commerce and Manufacturing Sector Plan 2012 - 2016 Vol I&II
- Finance Sector Plan 2012-2017
- Tourism Sector Plan 2014-2019

Social Sectors

- Law and Justice Sector Plan 2012 - 2016
- Community Sector Plan 2010 - 2015

- Health Sector Plan 2008 - 2018
- Education Sector Plan 2013 - 2018
- Public Administration Sector Plan 2014-2018

Infrastructure Sectors

- Energy Sector Plan 2012 - 2016
- Water and Sanitation Sector Plan 2012 - 2016
- Transport Sector Plan 2013-2018
- Communication Sector Plan (draft form – needs to be updated)

Cross Cutting Sector

- Environment Sector Plan 2013 – 2016

4.5 Public-private sector coordination mechanisms

		YES	NO	REMARKS
1	Public/private consultation mechanisms on policy formulation and implementation are operating regularly (at least every six months)	X		The newly revised Trade, Commerce & Industry Board (TCIB) is a dialogue between public/private bodies. Last meeting was held November 2016. Meetings held quarterly. The TCM Steering Committee also holds meetings quarterly.
2	The consultations are chaired at Ministerial level with high-level participation across the relevant Government agencies.	X		CDC – Cabinet Decision Committee held every 2 months and chaired by the Prime Minister (Only attended by government ministries and SOEs) TCIB – chaired by Minister of MCIL TCM-SC – co-chaired by CEOs of MCIL and MFAT
3	The decisions taken by these meetings are followed up upon with an implementation plan, including monitoring	X		Yes – as noted in endorsed minutes.
4	The decisions taken by these meetings are followed up upon but without an implementation plan	X		Done by National Planning officer
5	A full range of interest groups, including women's business groups, is included in the consultations	X		
6	The private sector can initiate consultations on matters of relevance to the private sector	X		
	Total Score	**6**		

4.6 Government-donor coordination on trade-related matters

		YES	NO	REMARKS
1a	Two or more development partner/Government formal meetings are held per year where trade is included as a specific agenda item	X		Donors directly approached; or when they review their investments.
1b	One development partner/Government formal meeting is held every two years where trade is included on the agenda			Not relevant (as answered in 1a)
1c	No development partner/Government formal meetings are held where trade is included on the agenda		X	CDC sessions conducted quarterly;
2a	These meetings address trade policy issues and greater coordination of donor interventions.		X	
2b	These meetings address only greater coordination of donor interventions but no trade policy issues		X	
2c	Minimal coordination of donor interventions	X		
3a	High-level Government participation (at Ministerial level) at these meetings is the norm	X		CDC
3b	High-level Government participation (at Ministerial level) at these meetings is not consistent			Not relevant (as answered in 3a)
3c	High-level Government participation (at Ministerial level) at these meetings is minimal			Not relevant (as answered in 3a)
4	Where it exists, trade is part of the budget support matrix	X		Refer to GoS forward estimates
	Total Score	**4**	**3**	

4.7a Moreover, to support that your country receives from the EIF, is there any other source of trade-related support in your country?

YES

4.7b If yes, please list the source(s):

Refer to Tables 3 and 4 above.

4.8a Is there an action plan or strategy that integrates all trade-related support to your Government and coordinates the activities?

Joint Policy Action Matrix (JPAM) – initial testing with Australian bilateral assistance.

4.8b Does this action plan or strategy integrate cross-cutting issues like gender and the environment?

Gender: YES

Environment: YES

4.8c Is there a Government unit/parastatal that coordinates such trade-related support?

YES – The Aid Coordination Division is located and housed under the Ministry of Finance; MFAT (Trade Division) – Focal point

4.9a Are donor trade-related activities based on the countries' DTIS Action Matrix priorities?

YES

4.9b If yes, please list the donor and related DTIS Action Matrix priorities?

We hope to present the DTISU as the guiding document for National Trade needs to development partners. In this regard, the DTISU details the gaps and challenges that the trade sector faces in Samoa.

4.9c Are there trade-related initiatives that are managed by at least two donors? (Examples include needs assessment, strategy formulation, joint project programming, pooled funding etc.)

No

If yes, please list the donors and trade-related initiatives

4.10 Medium-term implementation plan

		YES	NO	REMARKS
1a	Costed medium-term EIF/Aid for Trade (AfT) programme, indicating priorities and sequencing, has been developed and validated by the NSC			Answered in 1b
1b	Costed medium-term EIF programme, indicating priorities and sequencing, has been developed and validated by the NSC; some AfT needs may still be outside of this programme	X		MTEF developed in 2014 for the period 2014-2016
1c	Costed medium-term EIF programme has been developed and validated by the NSC			Answered in 1b
2a	Medium-term programme is part of the NDP			Not relevant (as answered in 2b)
2b	Medium-term EIF programme is linked (or being linked) to the NDP	X		
2c	Efforts are underway to link the medium-term programme to the NDP			Not relevant (as answered in 2b)
3a	Medium-term programme has been developed in consultation with the donor community (with Donor Facilitator (DF) as key counterpart)			Not relevant (as answered in 3b)
3b	Medium-term programme has been developed in consultation with the DF	X		The previous MTEF is completed and we now need to develop MTEF for 2017/18 – 2020/21

3c	Medium-term EIF programme has been developed (or is being developed) in consultation with the DF			Not relevant (as answered in 3b)
4	Medium-term EIF/AfT programme is part of the Government-donor dialogue	X		
5	No actions have yet been taken to develop a medium-term EIF programme		X	
	Total Score	**6**	**1**	

4.11 What are the AfT flows to your country for the following years?

AfT flow: Refer to Tables 3 & 4 for more information.

Remarks: This information is from the Government forward estimates. There is no specific AfT line, but we have lumped together Sector, and development assistance that are most relevant to Trade.

4.12 Please list projects and associated amounts funded by donors that are related to the DTIS Action Matrix

	Project Title	Amount ($)
1		
2		

Remarks: Refer to comment in 4.9b

4.13 Work plan of the project:

- Please describe any significant changes that occurred during the reporting period in the implementation of the work plan as described in project proposal.

  The TCM-CU implementing agencies and key stakeholders continue to sustain the application of the Value Chain Approach in the Sector Plan implementation:

  5. Industry Supply & Productivity
  6. Value Addition and Processing
  7. Market Access
  8. Sector Planning & Support

  To align the Tier 1 project with the EIF aim, most of the activities in Tier projects were implemented to lift the standard of capacity building in areas of trade related innovations and initiatives from divisions, agencies and stakeholders. Under the Tier 1 project the majority of activities are in-line with the work plan approved.

  Re-alignment of initiatives to the original Project MOUs is a significant change that has been done. Furthermore, the no-cost extension that was approved in November 2016, changed some activities to better fit Samoa's current priorities.

4.14 Risk analysis:

- Given the developments that occurred in the context and status of the project during the reporting period, how do you evaluate the *main risks* that the project has to address if it is to achieve its objectives?

  The best way to address risks is to have a responsive monitoring and risk management framework. In this regard, the TCM-CU envisages the development of a risk management tool into its Monitoring & Evaluation framework to better respond to risks.

4.15 Stakeholders' and partners' perspectives:

- Please indicate with examples stakeholders' participation in project implementation and their expectations.
  Stakeholders are members of the TCM Steering Committee, at the same time they are leading agencies and key stakeholders of the project.

- Please report partners' perspectives, their participation in the implementation of project activities and benefits from the project. This should include the Government partners, private sector and civil society.
  The following are issues and recommendations from TCM Sector stakeholders, noted in the second Annual Review:

Outcomes of the review:

1. **Linkages:**
   - Better coordination among sectors and donors
   - Encourage the value chain approach and linkages.
   - Consider developing a one Productive Sector Plan to include the Agriculture Sector and other relevant sectors.
2. **Reduce Cost of Production:**
   - Consider factors to reduce cost of utilities and increase access to finance
3. **Market Access:**
   - Improve product quality to meet market standards.
   - Improve product innovation and branding.
4. **Exit Strategy/Financial Support:**
   - Consider the availability of funds for sustaining implementation of projects.
   - Consider more Government support and commitment to the Sector Plan
   - Finalize Monitoring & Evaluation Framework as a tool for monitoring project activities and implementation.
   - Develop a Communication Strategy to improve awareness mechanism i.e. consultations, newsletters

- Please report future perspectives of the project based on the NIU and Ministry's assessment.
  MCIL notes the transitional period of five years for Samoa (as a graduate from LDC status) as a beneficiary of EIF. We also note these five years come to an end in January 2019. Moreover, we note the Samoa-EIF Tier 1 MOU ends in October 2017.

  In this regard, the Ministry has taken action to absorb the existing personnel under the Samoa-EIF Tier 1 project, once the project completes. The TCM Sector has also established itself as a driving force behind the economic development of Samoa. All the sub-projects that has been done under Samoa-EIF Tier 1 will be accordingly absorbed and done under the local budget.

The NIU envisions continuous and stronger commitment from the Sector implementing agencies. In this regards, the NIU will continue to do its job of securing assistance (financial and technical) from development partners to assist implementing agencies and stakeholders in carrying out their activities that directly relate to the Sector.

Furthermore, MCIL foresees the TCM-CU/NIU as the central division responsible for coordinating and management of donor-related projects in the trade, commerce and manufacturing sectors of Samoa.

***

DTIS Update Validation Workshop

WIBDI Processing Facility

TCM Steering Committee – Work & Training

STEC Replanting Project

Compiled & Designed by

TRADE, COMMERCE & MANUFACTURING SECTOR

Coordination Unit