



Ministry of Commerce, Industry and Labour
Matagaluega o Pisinisi, Alamanuia ma Leipa



ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015



GOVERNMENT OF SAMOA
OFFICE OF THE DEPUTY PRIME MINISTER

Ministry of Commerce, Industry and Labour, Audit Office, Legislative Assembly, Samoa Shipping Services & Pacific Forum Line, Polynesian Airlines, African Caribbean Pacific- European Union (ACP, EU); World Trade Organization (WTO); PICTA and PACER, Small Business Enterprise Centre, and Consumer Protection



Speaker of the House,

It is a pleasure for me to table the Annual Report of the Ministry of Commerce, Industry and Labour for the Financial Year July 2014 to June 2015 for consideration and discussion in this current session of the House.

Fonotoe Nuafesili Pierre Lauofo

MINISTER OF COMMERCE, INDUSTRY & LABOUR



Ministry of Commerce, Industry and Labour
Matagaluega o Pisinisi, Alamanuia ma Leipa



Honourable Fonotoe Nuafesili Pierre Laufo
Deputy Prime Minister
Minister of Commerce, Industry and Labour

Pursuant to section 15 of the Public Service Act 2004, I hereby submit herewith the Annual Report of the Ministry of Commerce, Industry and Labour (MCIL) for the period July 2014 – June 2015.

Faafetai

Pulotu Lyndon Chu Ling
ACTING CHIEF EXECUTIVE OFFICER

TABLE OF CONTENTS

ACTING CEO - Foreword	4
SECTION 1: OUR ROLE AND STRATEGIC DIRECTION	6
Our Vision	6
Our Mission	6
Our Mandate	6
Our Values	6
OUR ORGANISATION STRUCTURE 2014-2015:	7
TRADE, COMMERCE AND MANUFACTURING (TCM) SECTOR PLAN	9
SECTION 2: OUR KEY RESULT AREAS AND ACHIEVEMENTS	11
2.1: KRA 1: OUR SERVICES:	11
1.1 Office of the Deputy Prime Minister & Minister of Commerce, Industry and Labour	11
1.2 Office of the Chief Executive Officer	11
1.3 Industry Development & Investment Promotion Division	11
1.4 Fair Trading & CODEX Alimentarius Division	19
1.5 Apprenticeship, Employment & Labour Market Division	23
1.6 Enforcement of Labour Standards & Assessment of Work Permits Division	27
1.7 Enforcement of Occupational Safety & Health Standards Division	31
1.8 Registries of Companies & Intellectual Properties Division	33
2.2: KRA 2: OUR CLIENTS/PARTNERS:	39
2.3: KRA 3: OUR MINISTRY CAPABILITY:	41
2.4: KRA 4: OUR PEOPLE:	44
Section 3: MCIL Statement of Expenditures by Output appropriation for year ended 30 June 2015:	45
Appendix 1: List of MCIL legislation and Affiliations as at end June 2015	48
APPENDIX 2: PERFORMANCE MEASURES/INDICATORS ACHIEVEMENTS – FY14-15	52

ACTING CEO - FOREWORD

The end of financial year 2014 - 2015 was an opportunity for us to reflect on the achievements and challenges of the year, including the continued recovery of our economy post Cyclone Evan, the passing of new labour and employment laws, and people from all over the world flocking to our shores for the United Nation Third Small Island Developing States Conference (SIDS). Much of the discussion at SIDS focused on how island states can improve the lives of citizens through sustainable development. This is a goal our Ministry works towards every single day, by providing direct financial support to businesses, empowering our current and future labour force and ensuring Samoan products and services are of the highest possible standard.

The objective of the Ministry of Commerce, Industry and Labour ('the Ministry') is the continuation of its facilitation and regulatory role not only to embrace the development of the private sector as the engine of growth for Samoa's economy but that it contributes to creating better quality of life for its people. Within the period under review, the Ministry continues to offer **financial grants to the Private Sector worth \$200,000** to assist with business administrations and operations as well as through the various Government Assistance schemes facilitated by the Ministry and the Trade, Commerce and Manufacturing Sector. The Ministry recorded a **38% increase in Foreign Investment Enterprises**, the highest in the last five years. **Employment creation** was also noted with an **increase of 64.5%** compared to previous financial years from these investments.

The Ministry places high value on the inputs provided by our partners and stakeholders with ongoing public consultations on how to best implement the new labour and employment laws, as well as seeking the public's views on policies proposed by the Ministry to assist Government in achieving its goals and objectives set out in the SDS 2012-2016. The Ministry believes this will ultimately lead to the achievement of one of the Government's **Key Outcome 5: Enabling environment for Business Development**.

In this period, the Ministry with the assistance of the World Intellectual Property Organisation (WIPO) launched its **Trade Marks electronic registry project** aimed at converting the manual trademarks register into an electronic platform. The project which has been in progress for several years, finally achieved its main outcome with the deployment, implementation and training of relevant MCIL staff on the Industrial Property Automation System (IPAS). Relevant legislation was also passed by Parliament – **Metrology Act 2015** to regulate weights and measures and repealed the Measures Ordinance 1960. The Ministry is now planning to implement this important law once the transition phase of 12months is completed.

The Ministry continues to encourage highly skilled local workforce under its **Apprenticeship Training Scheme**, with seventy-four (74) apprentices graduated with Certificates in Carpentry, Plumbing, Motor Mechanics and a range of other trades in December 2014. Their apprenticeships completed, the apprentices are now beginning their careers as skilled trades people and valued members of the economy.

I take this opportunity to acknowledge the continuous support of all our development partners and the private sector that we have worked closely with this year and for many years to come.

Soifua

Acronyms:

ACC	Accident Compensation Corporation
ACP	Asia, Caribbean and Pacific
AG	Attorney General's Office
CCP	Codex Contact Point
EPA	Economic Partnership Agreement
EIF	Enhanced Integrated Framework for Trade Related Assistance to Least Developed countries
EU	European Union
FIA	Foreign Investment Act
FIC	Foreign Investment Certificate
FIE	Foreign Investment Enterprises
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GPO	General Price Order
HIRAC	Hazard Identification and Risk Assessments
ILO	International Labour Organization
IP	Intellectual Properties
IPAS	Industrial Property Automation System
LDC	Least Developed Country
LER	Labour and Employment Relations
MOA/MOU	Memorandum of Agreement/Memorandum of Understanding
MfR	Ministry for Revenue
MNRE	Ministry of Natural Resources and Environment
MPMC	Ministry for Prime Minister and Cabinet
NUS- IOT	National University of Samoa – Institute of Technology
OSH	Occupational Safety and Health
PACER Plus	Pacific Agreement on Closer Economic Relations
PICTA	Pacific Island Countries Trade Agreement
PIFS	Pacific Islands Forum Secretariat
PSC	Public Service Commission
PSIF	Public Sector Improvement Facility
PSSF	Private Sector Support Facility
SDS	Strategy for the Development of Samoa
SIDS	Small Islands Development States
SLC	Samoa Land Corporation
SNTF	Samoa National Tripartite Forum
TCM-SP	Trade, Commerce & Manufacturing Sector Plan
UN	United Nations
UNIDO	United Nations Industrial Development Organisation
WAIPA	World Association of Investment Promotion Agencies
WiBDi	Women in Business Development Incorporated
WIPO	World Intellectual Property Organisation
WTO	World Trade Organisation

SECTION 1: OUR ROLE AND STRATEGIC DIRECTION

Our Vision

To Lead and Excel in the Provision of Quality Service to Foster Economic Growth for All

Our Mission

To provide an enabling legal environment for the development of the private sector to stimulate investment, industry development to boost productivity, fair trade competition, create full employment of local workforce and highly qualified trades people, generate more work opportunities encompassing temporary movement of natural persons, improve safe work environment, increase innovation and registry integrity in Samoa.

Our Mandate

The Ministry derives its mandates from the thirty one (31) legislation and regulations which defines its key responsibilities in support of the Government's national development agenda as highlighted in the SDS 2012-2016. **Appendix 1** provides the list of these legislation and regulations and the Ministry's involvement with international treaties and obligations, boards and committees. There are on-going reviews for the corporate planning period to bring up to date the various legislation governing Samoa's business environment. Specifically the Ministry is mandated to administer regulatory frameworks that:

1. Promote Industry development, foreign investment and guarantees the rights of citizens to participate in the economy of Samoa,
2. Set standards to regulate fair competitive practices to promote a level playing field in all trades,
3. Administers the Apprenticeship Scheme, Employment Services, conducting of labour market surveys, collection and dissemination of Labour Market information,
4. Promote and enforce labour and employment relations, foreign worker employment and occupational safety and health,
5. Manages and enforces the statutory obligations of the registries of companies and other legal entities. Management of IP registers and protection of rights of IP holders.

Our Values

Our values are embedded with those of the Public Service which are crucial to the successful delivery of our services. We aspire to keep and respect their importance in the achievement of our Vision and Mission:

- **Honesty** – we value honesty in the way we perform our duties of service to the public,
- **Impartiality** – we value impartiality by treating our stakeholders equally and fairly, maintaining political neutrality,
- **Service and Commitment** – we aspire to provide a service that is unconditional with a commitment to satisfy our clients' needs,
- **Respect and empathy** – we respect the thoughts, feelings and concerns of others and seek first to understand than to be understood,

- **Transparency and Accountability** – we encourage open communication and commit to ensure that our actions and decisions are consistent and made with clear reasons in an open manner,
- **Efficiency and effectiveness** – employment of resources to achieve results of value to the public in the most economical way.

OUR ORGANISATION STRUCTURE 2014-2015:

The Ministry's organisation structure remains the same as in previous financial years. The only change was in its management team. The Chief Executive Officer Mr. Auelua Taito Samuelu Enari successfully completed his third term as CEO of the Ministry in June. Ms. Helen Uiese was appointed as Assistant CEO of the Industrial Relations, Foreign Employment Permits and Occupational Safety and Health division taking over from Mr Si'ilili Aumua Isaia Lameko. Mr Houlton Faasau was appointed as Assistant CEO of the Registries of Companies and Intellectual Properties division taking over from Mrs Margaret Fruean and Ms Lisi Faletutulu-Asuao as Assistant CEO of the Corporate Services Unit taking over from Ms. Veronica F Levi.

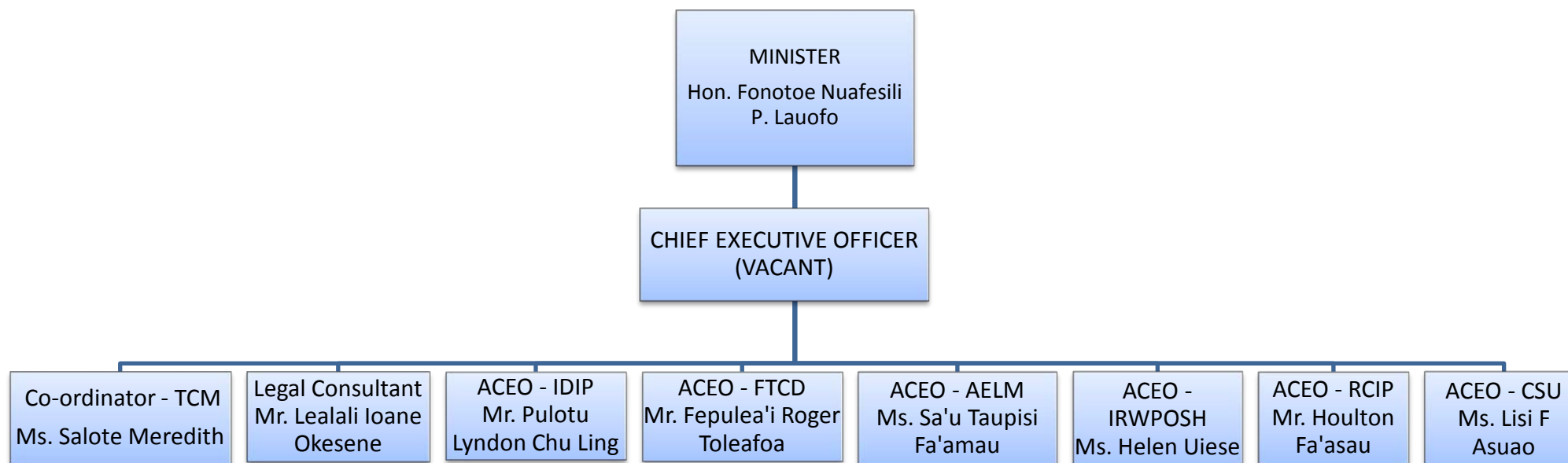
The Ministry like other government agencies faces the biggest problem of high staff turnover due to promotion opportunities in other government ministries and agencies. By the end of the financial year, the number of staff in the Ministry remains at eighty six (86) similar to the previous financial year. **Chart 1.1** below highlights the **management structure with corresponding divisions** for which the Ministry operates. It is envisaged that additional staff will be sought depending on requirements of revised legislation, mainly inspectors to monitor compliance with new legislation. At the moment, our restructuring requests are put on hold by the Public Service Commission until the whole of government functional review project is completed.

The Ministry continues to review its key priorities for the development of staff as set out in our Workforce Plan of 2012-2016. The key priorities include: **the need for on-going professional development of staff** and efforts are made for existing staff to pursue higher qualifications, and **enhance leadership skills of top management** to engage with staff to identify, nurture and inspire them to develop skills, knowledge and passion in the public service.

The staff are given opportunities to further enhance their knowledge and capacity building by attending relevant workshops, overseas meetings and seminars in matters specifically related to their area of work. Staff members are also encouraged to attend internal knowledge sharing that enables them to learn about other divisions' work and to gain general knowledge of the Ministry functions and objectives. MCIL is also promoting a safe and healthy working environment by complying with the Occupational Health and Safety regulations.

The Corporate Services Unit (CSU) has a **non-financial reward system** aimed at motivating staff to work hard and at the end of the year, award those with the most points. These awards are determined by staff attendance and leave in the monthly Human Resources Reports, attendance and participation in the weekly knowledge sharing and refreshers and the divisional efforts in the submission of administration and budget reports to CSU.

1.1 OUR ORGANISATIONAL STRUCTURE 2014 – 2015



TRADE, COMMERCE AND MANUFACTURING (TCM) SECTOR PLAN

OBJECTIVE: To coordinate and manage the implementation of the TCM Sector Plan.

Introduction

As the sector enters into the second year of implementation, it continues to maintain its focus on achieving its vision of maximizing gains from trade through increased productivity, value adding, competitiveness and promoting fair trade practices. The activities of the sector will contribute to employment creation and income generation resulting in improved livelihoods for all Samoans.

The first Sector Review was undertaken in November 2014. It was an excellent platform to inform all stakeholders of the Trade Sector progress and also a good opportunity to get feedback on the relevance of strategies and activities adopted by TCM-SP to achieve Sector Goals.

Progress Update - Overview

The sector faced many challenges but nevertheless has made progress with some milestones achieved and more to be done. Most sector activities in 2014 focused on strengthening and building capacity of the private sector to increase production, enhance competitiveness and to increase market access in international markets. To-date, 16 activities have been implemented and more are in the pipeline given the approval of Tier 2 projects in June 2014.

Private Sector Development:

1. Capacity Building: ISO Certification for Manufacturers and Exporters

The ISO certification process is renewable every 3 years and in 2014, assistance was provided to the private sector to renew certification procedures and also to build capacity to enhance operating efficiencies (competitiveness) and capacity to trade both in local and export markets.

The ISO certification program for the private sector in Samoa commenced in 2009. Businesses incorporated a Quality Management standard into their systems and processes where companies develop their *Quality Manual* outlining their policies, standard operation procedures and work instructions. The companies are expected to use this manual in their daily operations and their management procedures and once a company becomes ISO certified, internal audits are carried out to ensure compliance to the ISO standard requirements.

The Samoa Association of Manufacturers and Exporters (SAME) is the lead organization in facilitating and delivering training for internal auditors of the ISO Standards. Members of the private sector have indicated their interest in other ISO certifications such as Food Safety (ISO 22000), environment (ISO 14000), HACCP and Organic Certification.

The long term plan for the SAME is to be a trainer in internal auditing and also to be the main collaborator for all other standards associated with agriculture, manufacturing and processing. This will ensure continuity in maintaining standards of efficiency and export readiness for Samoan companies.

2. Market Access and Export Promotion

The private sector in partnership with the government, held trade exhibition and shows to promote Samoan made products in overseas markets like New Zealand, Australia and American Samoa, its major trading partners. The trade shows provided the platform for Samoa's business community to showcase Samoan made products thus giving the opportunity to small and medium businesses to enter markets or gain market share as well as facilitating and creating future trade partnerships in international markets.

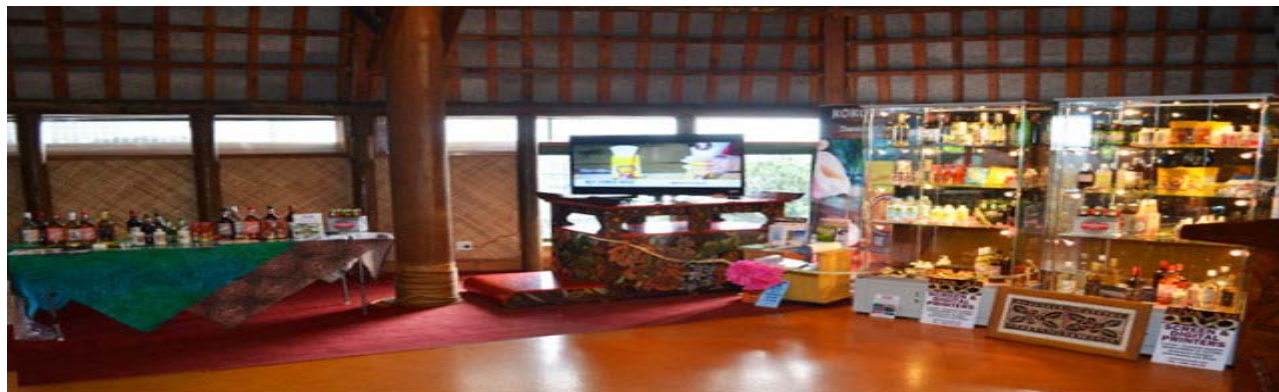


Photo from SAME report on NZ Trade Show

In addition to the trade shows, our private sector also had the opportunity during the Small Island Development States (SIDS) conference in 2014 to display and exhibit Samoan artists' work, particularly artwork by our Youth. It also provided the platform to build networks amongst the SIDS countries.



Photo from SIDS photo gallery

Impact on Trade and Exports

The *Merchandise Trade Report* prepared by the Samoa Bureau of Statistics recorded an increase in domestic exports of SAT\$15.4 million in the March quarter of 2015 compared to SAT\$14.6 million in the same quarter of 2014.

The *Quarterly Economic Overview* published by the Ministry of Finance used the Financial Year 2013/2014 to 2014/2015. According to this review, the merchandise trade deficit declined by 2.1 percent in March quarter 2014/2015 compared to same quarter of 2013/2014. This result was due to an increase of 19.2 percent in export earnings and a slight decline (0.6 percent) in imports of goods.

It is expected that this positive momentum of export earnings will be maintained as the sector continues to implement its prioritized activities for the next year ahead.

SECTION 2: OUR KEY RESULT AREAS AND ACHIEVEMENTS

2.1: KRA 1: OUR SERVICES:

1.1 Office of the Deputy Prime Minister & Minister of Commerce, Industry and Labour

OBJECTIVE: Provision of an efficient and effective secretariat and administrative support to the Minister.

PERFORMANCE ACHIEVEMENTS:

Ministerial Support focuses on providing effective support to the Minister. The Minister's office employs five full time staff to provide secretariat and administrative support. This includes writing submissions, logistic arrangements of the Minister's official travels and appointments, drafting replies to ministerial correspondence and parliamentary questions and responding to ministerial requests for information.

1.2 Office of the Chief Executive Officer

OBJECTIVE: To provide appropriate policy advice to the Minister on all areas of the Ministry's mandate.

PERFORMANCE ACHIEVEMENTS:

The Ministry provides on going policy advice to the Deputy Prime Minister and Minister of Commerce, Industry and Labour to support the Minister's responsibilities under the various legislation mandating the regulatory and compliance functions of the Ministry.

The Legal Unit has continued to work with the various MCIL divisions to provide legal advice, legal guidance on policy matters and work with the Attorney General's Office on legislative reform matters. The Legal Unit is also working to improve the legal skills and knowledge of MCIL staff, with several training programs currently in development.

The Ministry through the assistance of the Attorney General's Office and the Citizenship by Investment Committee successfully drafted the Citizenship by Investment Bill based on views and issues raised by the public and stakeholders. The Bill is an investment tool to attract potential foreign investors to Samoa and to assist in Government's efforts to boost economic growth and provide employment opportunities for its citizens. The Bill is now awaiting its third reading in Parliament. Other policy documents developed are the Legal Metrology Bill to regulate weights and measures in the country, the Competition Policy to encourage fair trading and competition in the market that are beneficial for consumers and Foreign Investment Bill to enforce compliance of foreign investors. All these policies were drafted with the assistance of the Legal Unit and the Attorney General's Office.

1.3 Industry Development & Investment Promotion Division (IDIPD)

OBJECTIVE: A high level of industry development and facilitating an investment friendly environment.

PERFORMANCE ACHIEVEMENTS:

The Industry Development and Investment Promotion Division have made significant progress in its achievements for both the investment environment and its work in supporting industry development in the country. Any achievements would of course also come with challenges that we continue to review in order to foster economic growth for all.

The milestones achieved include the 38% increase in the number of registered foreign investments and is the highest (63) recorded in the last five years. The completion of the new Citizenship by Investment Bill 2015 which will soon be passed in Parliament is another attainment. Although this is yet another avenue of attracting foreign investments, its due diligence process is more restrictive than the existing Citizenship Act.

The set targets were met for industry development activities such as the completion of the Export Development Scheme that is now with Cabinet for its final endorsement before its implementation. The Private Sector Support Facility (PSSF) successfully accomplished a 104% increase in the number of applications that were submitted during the reporting period. The successful operation of PSSF in the last 7 years and its impact on the private sector and the agriculture sector has led to the independent economic and social impact assessment conducted for PSSF recommending continuation of the PSSF funding assistance in a new framework.

Employment creation is a major achievement for both Investments and Industry development with an increase of 64.5% (488 to 756) employment for investments as compared to previous financial years. A total of 529 employments were noted from inspections conducted on previous beneficiaries of the duty concession scheme which is a great achievement to compensate Government revenue forgone in supporting the various industries.

THE INVESTMENT ENVIRONMENT

Foreign Investment Trends:

The financial year 2014/2015 has recorded the highest number of registered Foreign Investment Enterprises (FIE's) with a total of 63 as compared to a low 39 in the previous reporting period. The occurrence of natural disasters in the previous years could most likely be the cause of the low figures therefore the increase in this reporting period shows that investment is starting to pick up again in numbers. The Professional Services¹ followed by Retailing² sectors are the ones most favored by foreign investors. The sectors with the lowest recorded investment include 'Agriculture', 'Fisheries', 'Banks and Finance', 'Health' and 'Entertainment and Recreational Services'. Like previous years, the division continues to carry out monitoring/site visits and spot checks to ensure compliance of the Foreign Investment Certificate (FIC) holders in both Upolu and Savaii.

¹ Professional Services include Sales & Marketing, Media Services, Renewable Energy Projects, Insurance Companies, Trustee Companies, Emergency Warning Systems, Electrical Installations, Sewing Shop, Mechanical Engineering Services and Project Management Services

² Retailing Services is all other retailing except for grocery stores as per United Nations Central Product Classification (UN CPC) Code.

Further to the registration of new FIEs, the table below shows the breakdown of amendments that have been made to previously registered FIE's.

Amendments	Total
Additional Activities	12
Additional Branches	1
Change in Location	1
Changes and Amendments to Business Activities	2
Change in Name	1
Amendments to Shareholding Details	1
Removal of Trading Name	1
Certificates Issued	7

Achievements

Citizenship by Investment Bill 2015

The final draft of the Citizenship by Investment Bill 2015 has been finalized and endorsed by Cabinet. The 1st and 2nd reading of the Bill has also been completed in Parliament and is now awaiting 3rd reading. The Investment by Citizenship Committee also met with the Parliament Select Committee to discuss additional submissions received from the public. The Ministry was also invited by the National University of Samoa Faculty of Business & Entrepreneurship to do a presentation on the Bill to staff members and students of the University which was carried out on 16th April 2015.

Amendments to the Foreign Investment Act (FIA) 2000 and its Regulations 2011

The amendments to the fees schedule and the annual renewal of FIC registration has been endorsed by Cabinet and is now with the Legislative Assembly for passage in Parliament.

Establishment of registered FIEs

In addition to the registration and amendments the Division is also tasked to record the successful establishment of each of these FIE's. In previous years, this was a challenge for the team as the only means to identify this was through inspections and site visits but recent developments such as the publication of issued business licenses by the Ministry for Revenue has improved the accuracy of the information collected by the team. From these figures the team is able to determine that 50% of the 63 registered FIE's have successfully commenced operations. The other 50% are required to be established within 2 years of the issuance of their certificates otherwise their registrations will be nullified.

Review of Investment Sector Profiles

After numerous attempts of advertising for Expressions of Interest (Eoi) locally, the division further extended the invitation to an overseas online e-consult website that was recommended by the Pacific Islands Forum Secretariat from which local and overseas consultants submitted bids. This project of reviewing the existing investment sector study documents for the Services sector is aimed at updating and transforming these into appropriate modern profile designs that will enhance attracting investment

in these areas. The Project is on-going and still in progress with a targeted commencement date of July 2015.

Progress of previous achievements/challenges

Non-Compliance of Foreign Investment Enterprises (FIE)

Similar to previous years, this is an ongoing issue that the team continues to face. This reporting period has recorded one (1) new case which also involves the retailing sector of the Reserved activities. The team has carried out multiple spot checks and inspections.

In strengthening this process, the division has engaged stronger partnership internally with the Industrial Relations Work Permits and Occupational Safety & Health (IRWPOSH) and Registry of Companies & Intellectual Properties (RCIP) divisions; as well as with the Ministry of the Prime Minister & Cabinet (MPMC) and Ministry for Revenue (MfR) not only in the assessment of FIEs but also to minimize non-compliant issues in the hope that we will be able to completely prevent reoccurrence of any new cases of such nature.

Submission of Status Reports

As required under the FIA 2000. It has been brought to the attention of the Ministry that the majority of registered FIE's continue to neglect their obligation to comply with the law for submission of their annual status reports. Most of these FIEs only comply with this requirement when they return to the Ministry to request amendments to their originally approved FIC's. As a strategy to resolve this issue, the team has decided to send out follow up letters as well as publish a list in the media reminding these FIE's of this requirement. Furthermore, the Ministry has proposed an amendment to the Foreign Investment Act for the renewal of the Foreign Investment Certificate every year as a resolution to this challenge.

Employment Creation

A major opportunity for the economy through foreign investment is the employment creation that these FIEs have to offer. The previous reporting period was the first time this information was included in the report with 488 job opportunities created through the establishment of new FIE's. This reporting period however has recorded almost double that figure with a total of 756 new opportunities available to our local people. However these **figures are only an estimated number** that the investors include when applications are received. Confirmation of these numbers will need to be done once inspections are carried out to physically sight these enterprises and their business operations.

Investment Promotion Tools

The Division continues to use the Investment Guide and the National Investment Policy Statement; with consistent updates of information on the Ministry website www.mcil.gov.ws as publication tools to attract and promote investment in Samoa and abroad to both local and overseas potential investors. These publications are available to the general public and can be found on the Ministry's website. The copies of these booklets are also given to the Samoan missions overseas for distribution to potential clients. These booklets will be reviewed in the next financial year (2015/16).

INDUSTRY DEVELOPMENT ASSISTANCES

Duty Concession Scheme:

Number of Tourism & Manufacturing project applications approved/declined/pending:

The financial year 2014/15 has recorded a total number of 11 applications received and facilitated. Seven (7) project applications were approved as qualifying projects, two (2) were declined on the basis of retrospective nature and the fact that they were outside the scope of coverage under the scheme and the other two (2) are pending Investment Committee's decision.

Requests for extension of duty concession incentives:

As stipulated under the Customs Amendment Act 2007 and the Customs (Tourism and Manufacturing) Development Regulations 2010 all qualifying projects have expiry dates of incentives i.e. after 2 years of approval. The division received and facilitated three requests for extension of incentives from various industries in the country

Request for Additional Goods:

The Ministry received and approved requests from two qualifying companies under this category.

Number of Customs Entries facilitated:

The Ministry works in collaboration with the Ministry for Revenue in the approval of Customs entries for qualifying projects based on the list of goods approved for duty exemptions before these are released at the wharf.

A total of approximately 307 entries from qualifying projects were received and facilitated by the division. Our Duty Concession Scheme ('DCS') database is based on the approved list of goods endorsed by Cabinet and the same list is entered by Customs in their ASSYCUDA system and should bear the code which the Ministry stamps approved for the release of goods. The entries that neither bear the code and nor on the database are returned to Customs to be duty payable.

Request for transfer of Incentives:

One (1) qualifying company requested transfer of its incentives to another company, however after further research and enquiries made by the Ministry the request was declined by the Investment Committee on the basis that incentives cannot be transferred

Inspections & Employment Opportunities (Qualifying Projects):

The Ministry conducted 5 inspections within the financial year to check that the qualifying developments assisted under the Duty Concession and Code 121 programs are compliant with conditions of assistance granted under the Customs Amendment Act 2007 & Customs (Tourism and Manufacturing Development) Regulation 2010. The inspections also followed up on the progress of each development in terms of employment, status of development projects and sighting of imported materials under DCS when containers arrived.

Review of the Regulations to the benefit of the private sector:

The Ministry and the Investment Committee has dealt with circumstances where operators are faced with challenges of compliance with the current regulations on the timing required for importation of

furnishing for hotel accommodations after completion of the construction phase. The Customs (Tourism and Manufacturing Development) Regulation 2010 has now been amended to allow extension of the period for importation of furnishing materials to 3 years.

The Ministry will also propose similar amendments to the treatment of manufacturing cases such as the extension of projects to 3 years. The Ministry will further propose the consideration of extending incentives benefits under the DCS to other emerging industries other than tourism and manufacturing developments.

Code 121 Scheme:

There were no applications received under the scheme in the reporting period despite a number of awareness programs that the division conducted.

However, the Ministry has responded to enquiries from private sector on the scheme. The division continues to carry out quarterly inspections to existing projects to site consignments or imported goods previously approved and ensuring these goods are used directly for the purpose it was approved.

The major challenge and reason for receiving no applications is that the **eligibility threshold is too high** for operators to meet in order to qualify. The Ministry has raised the issue with the Ministry for Revenue and was advised to await the outcome of the review. However, the Ministry noted the second reading of the Value Added on Goods and Services Tax Bill 2015 in which the threshold is proposed to be raised from SAT\$78,000 to SAT\$130,000 which will make access to the scheme more difficult.

Export Development Scheme ('EDS'):

The Committee has finalized the Deed of Guarantee and Guidelines in June 2015 incorporating comments from the Commercial Banks and is now awaiting Cabinet's approval for the implementation of the scheme in financial year 2015/2016. The EDS Committee plans to undertake awareness programs for the private sector once Cabinet has endorsed and prior to the official launching of this new scheme.

Private Sector Support Facility (PSSF):

Operating Highlights:

A total of 419 applications were received in the financial year 2014/15 which is also the highest number of applications submitted since the inception of PSSF, in 2007. This was a 104% increase on the number of applications received compared to the previous year as per table 1 below. This indicates a high level of awareness of the private sector about the PSSF scheme as it progresses throughout the last seven years especially in the Agriculture sector.

FY 2008/2009	FY 2009/2010	FY 2010/2011	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015
CATEGORY A						
18	16	17	64	16	4	5
CATEGORY B						
56	42	66	65	109	192	406
CATEGORY C						
-	-	-	-	5	9	8

74	58	83	129	130	205	419
----	----	----	-----	-----	-----	-----

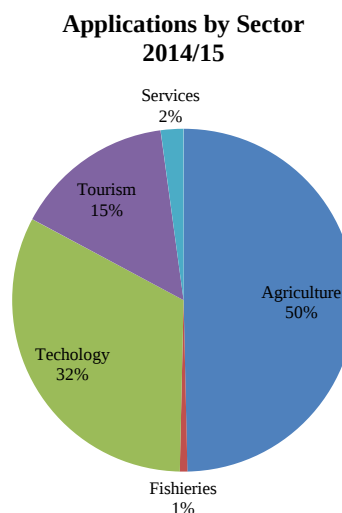
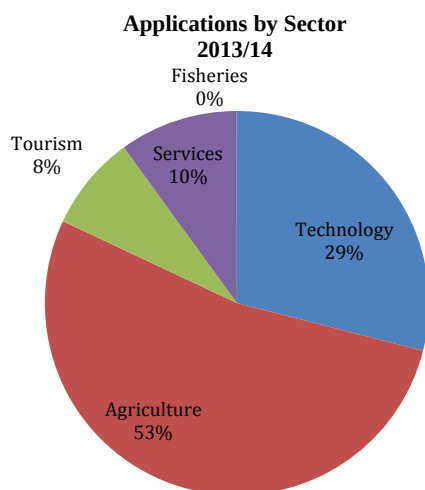
Table 1: Applications Received per Financial Year

With the 419 PSSF applications received and facilitated in FY2014/2015 approximately 93% of applications received were approved. The remaining 7% include those that were either withdrawn by the applicant or declined on the basis of the business not meeting the eligibility criteria of the scheme or the request being outside the coverage of the scheme.

Category	AGRI	FISH	TECH	TOUR	SERV	TOTAL
Category A	1	1	2	1	0	5
Category B	207	2	128	60	9	406
Category C	0	0	6	2	0	8
Total Applications per sector	208	3	136	63	9	419
(Approved)	(197)	(3)	(128)	(58)	(6)	(391)
(Declined)	(11)	(0)	(8)	(5)	(3)	(28)

Table 2: Applications received by category and sector

In comparison to the last financial year, the Agriculture sector continued to dominate the scheme with the highest number of applications submitted unlike the earlier years of the scheme where it was mostly taken over by the tourism and technology sectors. However, these sectors have followed behind agriculture in the later years of the PSSF and this may be due to the availability of alternate funding for these sectors like the Tourism Cyclone Recovery Program fund administered by the Samoa Tourism Authority. Similarly, the Agricultural, Fisheries, Cyclone, Recovery Project (AFCRP) Programme administered by the Ministry of Agriculture & Fisheries.



Types of Projects Funded:

Agriculture – approximately 166 water tanks and 59 water pumps were provided by PSSF to beneficiaries with tools and fittings, greenhouses cloths and with a smaller number of applications for overseas market exploratory visits, trainings and marketing materials.

Technology – majority of applications were requests from groups for their participation at overseas trade exhibitions. These include the Samoa Association of Manufacturers & Exporters (SAME) Buy Samoan Made Sydney Trade Show, Small Business Enterprises Centre (SBEC) & Samoa Chamber of Commerce and Industry (SCCI) coordinated two (2) Samoa Trade Fairs in American Samoa, the Pasifika Trade Festival in New Zealand that lei and handicraft businesses attended. Other projects under the technology sector include requests for promotional materials and for ISO Certification.

Services – these are mainly restaurants, tour operators, beauty salon and spas requesting assistance for marketing and promotional activities including installation of online point of sale equipment to improve payment services for tourists who use credit cards and also assistance for participation at specialised trainings.

Tourism – 36 of the 63 applications (44%) were given assistance for the Samoa Tourism Authority (STA) and Samoa Hotels Association (SHA) members' recent participation at the South Pacific Tourism Exchange (SPTe) 2015 in Melbourne which was held back to back with the Beautiful Samoa Australia Roadshows in Melbourne, Brisbane and Sydney. The other applications from the sector were for water tanks and contribution to the construction of their swimming pool projects, marketing activities and participation at other trade shows and for operational analysis of the business with the objective of improving efficiency and capacity.

Fisheries – the sector has made improvement this year with 3 applications received including that from the Tautai Samoa Association Inc. on the installation of an ice-making machine at the wharf. The project cost over \$40,000.00 and PSSF has supported the capital infrastructure to support the standard of the quality of fish for the export market. The Association will contribute 10% of this cost for this project. Other projects were also for capital equipment i.e. outboard motors and fishing gears which PSSF only funded 50% of these materials.

PSSF Financial Highlights:

Project Budget:

The project funds budget for the reporting period is **\$1,282,033**. The total funds committed for approved projects for the reporting period was \$1,959,703. This increase or over budget is due to the rise in the number of applications submitted to the facility in the reporting period. The budgets for previous financial years were always underutilized and this is the first time this is experienced. Moreover, this also indicates that the level of awareness of the private sector about the PSSF scheme has increased. From the above budget, the total actual committed funds paid during the reporting period were **\$322,917**, with the total remaining funds yet to be paid of **\$1,636,786**.

The above budget by the Government of New Zealand for projects is in addition to the contribution of the Government of Samoa which is \$50,000.00 each year for projects and approximately \$350,000.00 for hosting the facility as Secretariat of the PSSF.

Secretariat Operating Budget:

In addition to the Project budget highlighted above, the Secretariat's total operating budget inclusive of budgets for Awareness and Monitoring & Evaluation activities is **\$235,413**. Only 40% (\$94,873) of the operating budget has been spent in the reporting period.

However, with the extension granted by the Government of New Zealand to finalise the PSSF activities by December 2015, the remaining unutilized funds (60% - \$140,540) will be used to pay the consultants

fees for the independent economic and economic impact assessment undertaken for the facility and the audit activities for 2 financial years that will soon be carried out.

Moreover, the contracts of the PSSF Senior and Officer have also been extended to December 2015 to finalise all payments and reporting of the scheme and hence their salaries will also be paid out of the remaining funds. It is expected that all payments to beneficiaries of the facility will be made before this closing date pending the new framework which PSSF will continue to operate in as per the outcome of the Economic and Social Impact Assessment.

PSSF Economic and Social Impact Assessment:

In conclusion, a recently conducted independent social & economic impact assessment report was tabled to the PSSF Steering Group in March 2015 recommending continuation of the facility due to a positive outcome and impacts delivered by PSSF. The assessment suggests that for every \$1 of spending facilitated by PSSF, a \$2.25 in GDP effect is delivered. Another positive economic and social impact that stems from the grants distributed by PSSF is employment.

The government of New Zealand is also working towards a framework and design for the continuation of the facility. New Zealand remains as the only development partner funding PSSF with continuous support and contribution of the Government of Samoa after the UNDP ceased funding in the first 5 years of the scheme.

OTHER ACTIVITIES

Focal Point for Antidumping Measures:

MCIL as a member of the National Working Committee for Trade Arrangements was agreed upon by other line Ministries to be the focal contact point for Antidumping Measures given practices in other countries. To build the capacity of the relevant Ministries in this area, MCIL has requested technical assistance through the Ministry of Foreign Affairs and Trade from international and regional organizations to undertake training and establish a simple process for investigating antidumping in Samoa. The Office of the Chief Trade Advisor for the Pacific Islands has offered assistance and will carry out this training for Samoa in the first quarter of the next financial year.

1.4 Fair Trading & CODEX Alimentarius Division (FTCD)

OBJECTIVE: Enhance effectiveness of market mechanisms and growth of domestic activities and create a level playing field for all in the domestic market.

PERFORMANCE ACHIEVEMENTS:

Metrology Act 2015

The Legal Metrology Act was passed by Parliament during its session in March 2015. The main mission of this legislation is for traders to use accurate weighing and measuring equipment, encouraging fair trade practices and protecting the consumer in order to enhance the socio-economic development of Samoa. The Metrology Act 2015 is in its twelve months transition period where the Ministry is tasked with informing all those in trade, safety, health, and the environment to be aware of their legal obligations under the Act.

The Metrology Regulation was also completed and endorsed by Cabinet during the period under review and is now with the Office of the Legislative Assembly for translation before forwarding to the Head of State for Assent. The initial work was done by Mr. John Parker (consultant) with the assistance from the Office of the Attorney General and the Fair Trading Division

Several senior officials of the Fair Trading Division have been trained in the field of legal metrology by the New Zealand and Australian authorities in the past. However, there is still a lot more training required in order for our Samoan officials to fully comprehend the technical aspects of the law and its application.



Competition and Consumer Bill.

The Competition and Consumer Bill was drafted by Certari Consulting Ltd. Hong Kong with the financial assistance of the Asian Development Bank. Cabinet approved the Competition and Consumer Bill after public consultations and this Bill is now being translated by the Legislative Assembly.

The Competition and Consumer Act will assist to protect the rights and interests of consumers from anti-competitive agreements, unfair practices, price fixing and abuse of market power to name a few.

Approved safety standards developed.

The National Codex Committee has been developing the Approved Quality Standards for 'Ava and 'Ava Products Regulations 2015 for a year. The Regulations for 'Ava (*Piper methysticum* Forst. f.) is in its fourth draft. We are anticipating financial support to test quality factors of the four varieties of 'ava and its lactones found in Samoa. These scientific quality tests required by the Standard can be conducted by the Scientific Research Organization of Samoa at Nafanua. The Approved Regulations for Ava are currently drafted under the administration of the Ministry of Agriculture. However, the Ministry of Health has proposed to have it incorporated under its newly passed Food Act 2015, where all food related matters are administered.

These standardization efforts are coinciding with the re-opening of the markets in Europe following the official lifting of the ban of 'Ava by the German Health Authorities as of 10th April 2015. This is an opportunity for farmers in Samoa to once again export 'ava. This requires increasing production to cater for the once lucrative European export market as it opens up again. Equally important is the need to ensure the quality of 'ava exports from Samoa and other exporting countries in the region, are safe for

human consumption. The 'Ava plant varieties are currently selected on the traditional history of experience of safe use and using the local vernacular languages of the country of origin. In Samoa, the following noble 'Ava varieties are grown and traded as 'Ava Le'a, 'Ava La'au, 'Ava Loa, and 'Ava Toga.

Prices Board

The Board continued to hold its meetings quarterly with the ultimate goal of ensuring that prices of essential food items are made available at affordable costs for consumers. For the period under review;

a) Four meetings were held to review the prices of stipulated goods.

b) All items continued to follow the fixed cost arrangement while potatoes and onions were subject to percentage mark-up arrangement. Submissions were received for pricing and price increases for local products such as cigarettes and beer. These submissions included pricing of Rothman cigarette 20's, newly produced Vailima Natural Lager (355mls) and price increase for Pall Mall cigarette packets 10 & 20. The production of Vailima Natural Lager beer was an initiative by the Samoa Breweries Limited to demonstrate this draught beer made from breadfruit during the Small Island Developing States (SIDS) conference.



c) A total of 137 products have been recorded since the end of this financial period. In every review, some products increased in prices while some reduced due to the fluctuation of exchange rates in importing countries. The prices of some products remain unchanged due to lack of information received for the review of their prices.

d) The usual nation-wide distribution of each Price Orders was carried out in a timely manner. The Division used the media such as television, radio and newspapers to advertise each Price Orders. The number of traders in Samoa according to distribution records continued to increase from 854 in the first six months to 875 at the end of this financial period. Effective compliance and freedom of consumers to exercise their rights in the marketplace is monitored by the Division's weekly inspections.

e) During the period under review, the Prices Board conducted two inspections in both Savaii and Upolu. The inspections were part of their mandate to visit retailers in the country to check their compliance with provisions of the Fair Trading Act 1998 as well as monitoring of General Price Orders. The outcome of both inspections were positive in that the majority of retailers inspected were complying and aware of their obligations with only a few needing improvement in the future.



MCIL Savaii Office

The Savaii office maintains its role as the focal point for Fair Trading issues in the island as well as facilitating matters relating to the entire Ministry. The following activities were conducted in the island during the reporting period:-

- a) 653 inspections conducted on a weekly basis for traders including follow ups.
- b) Overall, a compliance rate of more than 80% of traders has been observed with all the various obligations under the Fair Trading Act 1998. 20% represents traders that have not complied mainly in the areas of overpricing, not displaying GPO and sales of goods below approved standards.
- c) A total of 197 enquiries were received and recorded during the reporting period, an increase of 30% compared to 2013 - 2014. The majority of the enquiries were mainly on fair trading, industrial relations and industry & investment matters. Other enquiries include matters relating to the other divisions of the Ministry as well as issues for referral to other ministries.
- d) Of the 197 enquiries, 10 were complaints on industrial relations & labour matters and 13 were for over pricing of goods. All cases on Fair Trading matters were resolved while others on labour issues were referred on time to the responsible Division.
- e) On-going petrol adjustments on a monthly basis and the calibration of seven **(7)** petrol stations in Savaii.
- f) The office was extended to include a conference room and bathrooms. The extension was built by Tofilau Sinapati Building Construction of Salelologa in April 2015 at a cost of \$58,000 tala. The furniture such as chairs, tables, air-condition and other amenities were from the SIDS conference.



The extension was marked on the 8th of May 2015 with the Prices Board's first Savaii meeting chaired by the Deputy Prime Minister and Minister of Commerce, Industry and Labour, Hon. Fonotoe Nuafesili Pierre Lauofo with members from the Ministry of Finance, Ministry for Revenue, representative from the Public Service Association and three other members appointed by Cabinet who are currently filled by Oloialii Lole, Si'a Ale Finao and Fepuleai Siō.

OTHER ACTIVITIES

Daylight Saving Time

Cabinet approved Daylight Saving Time to April 2016. These dates can be extended according to advice from the Ministry after a survey of traders and service providers as well as consumers.

World Consumer Rights Day 2015

This is the fifteenth year since Cabinet endorsed the 15th day of March to celebrate together with the world, consumer rights and interests. The World Consumer Rights day is an annual event for celebration and solidarity within the international consumer movement. More importantly, it is a time for promoting the basic rights of all consumers, demanding that those rights are respected and protected. The focus for this financial year was on spreading consumer rights awareness to traders in the Itu o Tane, Savai'i with the theme of "Misleading and Deceptive conduct". The celebration was held at Stevenson's Manase.

The majority of complaints received from consumers relate to false or misleading information about products and services offered. This included information on packaging or signs, information on television advertisements and information that salespeople gave to their customers. One issue raised by the Itu o Tane participants was whether people are entitled to a refund when they send a child to a shop and the child returns with the wrong product according to the parents. Shop-keepers are not legally required to give a refund in such cases, so it is up to the traders to refund or not. Traders are legally required to give customers refunds when products are faulty or the customer has been given false or misleading information about the product.

Fair Trading Amendment Act 2015

The Fair Trading Amendment Act 2015 was passed by Parliament in February 2015. This amendment relates to general powers and duties of the Prices Board which are included under Section 49 "Every Order may be signed on behalf of the Board by the Chairperson or in his or her absence the Chief Executive Officer."

Awareness Activities

On-going awareness activities including three 30 seconds TV Advertisements were aired on both TV1 and TV3. The aim of these TV advertisements was to make sure that the traders and consumers are aware of their rights and obligations under the Fair Trading Act 1998. The main focus of the TV awareness advertisements were on misleading and deceptive conduct, right to refund, General Price Order and the new advertisement on the requirements for the Metrology Act 2015.

1.5 Apprenticeship, Employment & Labour Market Division (AELM)

OBJECTIVE: Encouraging highly skilled local workforce and their full employment.

PERFORMANCE ACHIEVEMENTS:

Apprenticeship Study Visit to Australia

In November 2014 a study visit to Australia by the ACEO and the Senior Apprenticeship Inspector of Apprenticeship, Employment and Labour Market (AELM) division of MCIL, the NUS Dean for the School of Applied Science and the Assistant CEO for Qualification of the Samoa Qualification Authority. The whole purpose of the study visit was to expose and experience hands on the current practices that are being undertaken by the government of Australia in the administration and facilitation of its Apprenticeship Program.

The visit was very successful in terms of the enhancement of the knowledge, experience and exposure of Samoa's Delegation to the many good practices, government incentives and vast resources available in Australia, to better facilitate its Apprenticeship Program. Despite our smallness, there are similarities of

Samoa's Apprenticeship Program in comparison to various models being undertaken by the government of Australia in the administration of its Apprenticeship Program.



Figure 11-r: Tepora Wright (SQA), Eseta Hope (NUS), Sa'u Taupisi Faamau (MCIL) Andrew Sheck (MCIL) during study visit to Australia

Trade Testing Scheme & Trade Test Exams

The Apprenticeship Council of Samoa endorsed the elimination of the Trade Test Scheme Policy Paper developed by the Ministry with its key stakeholders, the National University of Samoa and the Samoa Qualification Authority. The rationale behind it is to encourage the youth of Samoa to go through formal educational training and at the same time, to lift the standard of the Apprenticeship program to be Competency Based.



Carpentry & Joinery Grade 1 tradesmen and Trade examiners during trade test

The coordination and implementation of the last two trade tests for both theory and practical Grade 1 under the Carpentry & Joinery trade were carried out in October and November 2014. The twenty (20) candidates who applied to sit the trade tests successfully passed and graduated during the Apprenticeship graduation on the 12th December 2014. On the 15th November 2014 the last trade test

for the Welding and Fabrication was also conducted and 6 out of 7 candidates successfully passed the trade test exam.



Figure 2 Welding & Fabrication Grade 1 TradeTest

Apprenticeship Awareness Program

The Apprenticeship Team travelled to Savaii to coordinate and conduct an Awareness Program that was held at the Methodist Hall, Apita o Pisaga at Salelologa on Thursday 11 June 2015. The main focus of the program was to promote the importance of the Apprenticeship Program not only to increase the number of qualified tradesmen at the national level but also to encourage and remind the youth of Samoa about the many opportunities available under the trades area. The success of the program was evident in the village mayors who attended this crucial program requesting the same program to be done at their villages.

Apprenticeship Graduation

The Apprenticeship Graduation was held on the 12th December 2014. The Honourable Acting Prime Minister, Afioga Fio Lautafi Purcell delivered the keynote address and the Chief Executive Officer of MCIL, Auelua Taito Samuelu Enari presented the Annual Report for the Apprenticeship Program for the School Calendar Year 2014.

The 2014 Apprenticeship Graduation reflected an increased number of graduates in comparison to previous years. The increased number of graduates from the Apprenticeship Program plus further developments from year to year reflects MCIL's commitment for Samoa to have a highly skilled workforce and for the effective and efficient administration and facilitation of this crucial program.



Employment Service

The employment service continues to register and refer suitable jobseekers to any available job offer that comes through the service. This is reflected in the number of registered jobseekers exceeding the target number. This clearly suggests that the number of unemployed persons or those seeking for job

opportunities increases from time to time. The preference of most of these job seekers is in office or desk jobs rather than working or utilizing our land resources. A dramatic increase is also seen in the referral side of the service which revealed the high demand and needs of the employers with available jobs for qualified employees. On the other hand, placement remains very low as the selection of the successful applicants are chosen by the employers themselves.

Jobseekers Training

Two trainings were conducted by the Employment team and forty six job seekers had successfully attended and received certificates. These trainings are part of the Employment service to teach job seekers with first hand preparation or basic needs of a job search package. The division received positive feedback from participants of the trainings to enable them to find job opportunities.



Industry Awareness Program

This activity focused on the students of year 13 nearing completion of secondary schooling. A change of target group from Year 13 students to unemployed youth or Talavou selected from church youth groups took place this year. This was aimed at helping the youth who are looking for jobs to have a chance to learn and hear about job offers and available jobs in Samoa that they can choose from by learning the basic skills needed such as writing letters and resumes in order to get a job.

2013 Labour Market Survey

In June 2015, Cabinet approved the Samoa Labour Market Survey of Formal Private Sector Employers 2013 ('LMS') report for dissemination to stakeholders and relevant ministries. The overall objective of the report is to provide an inventory of current employers and employees in the formal private sector, update and provide information on the labour force, and identify skills shortages, skills demand and training needs of employees in the formal private sector. A total of 1,200 employers registered in the Employer database were given questionnaires. Seventy one percent (71%) responded compared to sixty three (63%) in 2010. The contributing factors to this response rate include the unavailability of employers at survey time, inconsistency of appointment schedules, and availability of allocated funds for the activity. The results from the survey indicated an increase of 2% in the number of employees engaged in the private sector workforce, with 60% of male and 40% of female participation. The same percentage increase was noted in the 2010 LMS report.

Employment Periodic Information Collection

Information on employment status is collected via Employment Periodic Information forms distributed to all employers of the Private formal sector on a six months basis. This covers all employers in the private sector including any new establishment found during collection.

Issues and Challenges

Job Seekers: The main issue is a mismatch of vacancies and criteria given by some employers against the jobseeker records and a reason for lower numbers recorded for placement. The challenges for us include: lifting the standard of the service by putting on more awareness programs; encouraging the employers to utilize our service free of charge; improving the current practices and processes in place to be more proactive.

Industry Awareness Program: The main issue faced was budgetary or financial constraints in terms of the number of programs the team wanted to have compared to the number of youth to attend. The challenge is for our team to reach out to the community and cover numerous unemployed youth through the support and good coordination with church ministers and village women reps or Sui Tamaitai o Nuu, to improve employability of the local population.

Labour Market Survey: The issues found throughout the whole survey process were timely employer responses as well as the incompleteness of data provided by some respondents. One major issue faced by our team was the absence of a well-designed database" for all survey data entry which delayed the process starting from entry of data to end product. This is also a contributing factor for the delay in compiling and finalizing the report on time. The biggest challenge for our team is to have a well-designed system or database in place for other upcoming surveys for ease of data processing, tabulating, analysing, reporting and dissemination of data to users on time to avoid out-dated data.

1.6 Enforcement of Labour Standards & Assessment of Work Permits Division (IRWP)

OBJECTIVE: Enforcement of labour and employment relations standards to provide a fair and equitable level playing field for both workers and employers to promote compliance with its legislation and policies at the work place and assessment of work permits.

PERFORMANCE ACHIEVEMENTS:

Industrial Relations Workshops conducted for employers and employees on the Labour and Employment Relations Act 2013 and Labour and Employment Relations Regulations Amendment 2015

The Industrial Relations Unit (IR) for FY2014/2015, upon the requests from employers and employees, conducted 16 presentations to the following organizations:

- Samoa Shipping Corporation (3 social dialogues),
- Little Sisters of the Poor at Mapuifagalele,
- Sinalei Reef Resort,

- Isitolo Chartered Account,
- Pacific Forum Line,
- Development Bank of Samoa,
- Electric Power Corporation,
- Tanoa Hotel Management,
- Tanoa Hotel staff,
- National Health Services,
- Management of Aggies Resort (2 social dialogues), and
- Senese.

The Ministry was able to conduct one public consultation for the draft Labour and Employment Regulations 2014



Social dialogue with management of Samoa Shipping Corporation

Samoa National Tripartite Forum (SNTF)

The SNTF held three (3) meetings in the reporting period. Main issues discussed in the 3 meetings included the following:

Meeting held 12th November 2014:

- Amendment of the LERA 2013 to clearly define citizen to include a person holding permanent residence permit and to allow for an alternate employer representative to attend SNTF meetings.
- Review of the SNTF membership to ensure that employees/employer associations take turns in being represented in the forum.

Meeting held 01st April 2015:

- Nomination of representatives to attend the 104th International Labour Conference (ILC) in Geneva. Representatives comprise of one representative each from the Government, the employer, and the employee constituents.
- The development of the National Occupational Safety and Health Policy Framework to include the informal, private and public sector.
- The Labour and Employment Policy Framework to ensure employee needs are being met such as working conditions and entitlements, and employer expectations are adhered to.
- Occupational Safety and Health Day 2015, which falls on the 28th April of every year.

Meeting held 24th April 2015:

- Finalized the five representatives to attend the 104th ILC in Geneva.

Routine Inspections to ensure Compliance of Employers/Business Owners

The Ministry carried out a total of 17 routine inspections to 582 individual businesses during the reporting period. The routine inspections are part of IROSH's Monitoring and Evaluation work to ensure compliance with the LERA especially with regards to Terms and Working Conditions for employees.

Out of the total number of individual businesses inspected, 87% were found compliant with the LERA. The non-compliant employers were advised to take corrective actions or they will be penalized under the LERA. To ensure compliance, corrective actions are undertaken such as follow up inspections.

International Labour Standards (ILS) Reporting Obligations in Accordance with Article 19 of the International Labour Organization (ILO) Constitution

Samoa being a member of the ILO is required under Article 19 of the ILO Constitution to provide regular reports on the 8 Fundamental ILO Conventions already ratified.

Two ILS reports have been submitted to the ILO Office in Geneva on;

- (i) Equal Remuneration Convention (C100); and
- (ii) Discrimination (Employment and Occupation) Convention (C111).

The submission of these reports to ILO is a way to advise the organization and other member states on any significant changes in the implementation of International Conventions and/or Recommendations in Samoa.

Capacity Building/Trainings for the IROSH Team

ILO Foundation Skills (Labour Inspectorate) Training, 9th – 13th March 2015

The ILO through its ongoing support of building capacity of labour inspectors conducted a 5 days training on ILO Foundation Skills for the IROSH team.

The aim of the training is to deliver Labour Inspectors with foundation skills to enhance their knowledge and skills in undertaking their mandated requirements. The training covered areas such as the principles of inspectorate work, practical tools to carry out inspections and reporting.

Distance Training in Best Practices in International Labour Standards (ILS) Reporting

A member of the IROSH team was fortunate to receive an invitation from the International Training Centre (ITC) of the ILO to participate in a distance learning course that took place from 16th March – 8th May 2015. The training is an important course given Samoa's obligations to submit ILS Reports annually.

The training was carried out via the internet with its aim for the participants to be able to:

- Have background knowledge of the ILO and the ILS system;
- Have a detailed knowledge of the role and operation of reporting in the ILS system;
- Use of ILO's database and resources relevant to ILS reporting; and
- Prepare (or participate in the preparation of) the reports on the application in law and practice of ILS due by member States under the ILO Constitution.

ILS Reporting Training Workshop, 8th April 2015

The IROSH division is the focal point of contact for ILO in the implementation of the nine Conventions in Samoa. The aim of the workshop was to provide labour inspectors with an understanding on how to prepare and compile ILS Reporting Obligations on ratified conventions.

It was stressed during the workshop the importance of involving all key stakeholders both in the public and private sectors (employers and employees) in the consultation process as they are the source of the information for preparation of the reports. Further the Conventions are geared towards ensuring that employers and employees are being given equal protection with regards to principles, and terms and working conditions of employment.

ILO Training Materials

As an outcome of the training on ILO Foundation Skills conducted on 9th – 13th March 2015, the ILO published and presented to the Ministry Handbooks on Labour and OSH inspection; and Facilitator Guide as guidance for the labour inspectors to better understand their roles.

These handbooks were presented to the IROSH division by Mr Satoshi Sasaki (ILO Deputy Director for the Pacific).



Presentation of training materials to IROSH division by Mr. Satoshi Sasaki

104th International Labour Conference – Geneva, Switzerland

The 185 Member States of the International Labour Organisation ('ILO') meet at the ILC on a biennial basis around June for a period of two (2) weeks. Member States' delegations to the ILO are composed of four (4) delegates; two (2) Government delegates, an Employer delegate, and a Worker delegate.

Four key issues were discussed during the Conference.

- (i) Facilitating the transition of informal to formal economy
- (ii) The promotion of Small and Medium Sized Enterprises (SMEs)
- (iii) Continuous development and enhancement of Social (Labour) Protection
- (iv) Governance

The Conference closed with a strong support from Member Countries to focus on four key areas as we progress to the "Initiative on the Future of Work": (1) work and society, (2) decent jobs, (3) the organization of work and production and, (4) the governance of work.

Foreign Employee Employment Permits (FEEPs) for Non-Citizens

A total of 491 FEEPs were assessed and issued in the reporting period. Of this number the majority of foreign employees are employed in the Non-Specialized category such as chefs, managers for wholesale companies etc. There was also an increase in foreign employment for domestic work such as babysitting, caregiver and housekeeping.

Since the official transferal of the employment permit function from the Ministry of the Prime Minister and Cabinet (Immigration Division) to MCIL in 2013, MCIL is still working closely with Immigration given that Immigration grants temporary resident permits for foreign employees upon the granting of a FEEP by MCIL.

1.7 Enforcement of Occupational Safety & Health Standards Division (OSH)

OBJECTIVE: Enforcing safe work at the workplace

PERFORMANCE ACHIEVEMENTS:

Ensuring Compliance of all Workplaces with the Occupational Safety and Health Act 2002 and Regulations 2014

Inspections

As part of the division's core functions, inspections are carried out on a routine, follow up and spot check basis. 251 inspections were carried out by the OSH Inspectorate covering Ministries/SOEs, Petrol stations, Bakeries, Construction sites, Road works, Hotels etc. From an operational perspective, the inspectorates were able to achieve wide sector coverage as employers and employees still do not prioritize safety measures.



Inspectors conducting routine checks

Some common issues encountered during inspections include:

- Relevant Safety gear not provided;
- Safety gear provided but use is not enforced;
- No accident register books;
- No first aid kits for each workplace;
- Poor hygiene in designated workplace bathrooms; and
- Hazards in the workplace poorly managed.

In response to the above issues for individual workplaces, the Ministry issued improvement notices and formal notifications highlighting areas which require attention to improve health and safety for employees. The Ministry has noted from issued notices that 100% of operators have made progress in varying levels to rectify safety concerns. This is evidence that the inspectorate must maintain its presence through routine inspections to Ministries/SOEs and Private Sector and is the main reason why penalties have not yet been issued.



Workers not wearing proper safety gear

Investigations

Seventeen (17) investigations were carried out by the division varying from minor to serious in nature based on the definition of a serious injury under the OSH Act 2002 i.e. incapacitates a person for at least 48 hours. 30% of work accidents have been reported through the Accident Compensation Corporation (ACC) which has been a positive outcome for the division in terms of strengthening our network with ACC as the sole social insurance scheme for work injuries and illnesses.



Controlling the workplace to prevent accidents

The division has continued to emphasize during inspections the legal requirement for all employers to report work accidents to the Ministry. In addition to investigating the cause of work accidents, the Ministry was able to issue practical advice on preventative measures e.g. clearly designating areas for transporting goods and where persons are to carry out duties to avoid injury caused by moving vehicles.

Investigations will become increasingly important as the division aims to increase awareness ensuring that more accidents are reported by employers rather than third parties. Furthermore training for inspectors specifically on investigations has been prioritized.

Awareness workshops

As part of the division's strategy to increase awareness of OSH law and more importantly work safety, nine (9) workshops were carried out for all stakeholders both in Upolu and Savaii. The workshops placed emphasis on the legal requirements for all employers and employees including practical methods to be used when identifying hazards in the workplace and implementing appropriate risk controls. The division was also able to arrange a field visit for one of the workshops which put participants in the middle of a hazardous workplace (Tafaigata landfill) and required they identify actual hazards and practical measures to manage risk associated with those hazards.



Practical Exercise at Landfill, Tafaigata



OSH Regulations Workshop, DBS

The workshops have presented a forum for both employers and employees to create dialogue around work safety. This has generated queries from participants following the workshop regarding their respective workplaces and some safety concerns. As highlighted above, workplace hygiene has been a common feature and the inspectorate has made recommendations to managers to ensure that an appropriate level of hygiene is maintained.

Due to budgetary constraints, the division was only able to conduct one (1) workshop in Savaii but this was also a successful event for the Ministry as safety and health at the workplace was once again discussed at length. The division has noted that these workshops will be better served if they are catered specifically to sectors to ensure that important issues can be addressed. This will be a tactical shift for the new financial year.

World Occupational Safety and Health Day, 28th April 2015

In addition to the above awareness workshops, the division also held a workshop at the Development Bank of Samoa on the 28th of April 2015. Theme of this year's OSH Day is "Join in



Participants at the OSH Day Seminar

Building a Culture of Prevention” as developed by the ILO. The purpose of the workshop was to promote the prevention of work accidents through proper hazard identification and risk management which fits in well with the direction of the division to improve the culture of prevention within workplaces.

The commemoration of World OSH Day was a joint project with the ACC as one of the division’s key partners. In addition to the workshop, promotional posters, t-shirts and brochures were distributed to workplaces during the week. As a member of the ILO, it is a feature event of the financial year to demonstrate our commitment to OSH within the workplace. Financial resources are always a constraint which is why special thanks must be given to the ACC for their willingness to support this initiative.

Increasing Capacity of OSH Inspectors

The ILO through its National Coordinator in Samoa carried out a foundation skills training course over five (5) days. The course covered both Industrial Relations and Occupational Safety and Health to ensure that inspectors have the basic training required to carry out their inspections and investigations more efficiently.



Addressing participants during OSH Day Seminar

A milestone and an important outcome from this training was the publication of the Labour and OSH Inspector Handbook. This handbook will be an invaluable training tool for current and future labour inspectors. In addition, each participant was able to attain a certificate of achievement including officers from Apprentice and Employment, Fair Trade and Industry Development. The handbook has provided a solid foundation for the division in terms of capacity development and should lead to more specialized training under the ILO.

Hazardous Child Labour

The division in its capacity as Labour and OSH inspectors have also joined the effort to strengthen measures against Child labour with *Senior OSH Inspector- Uputaua Lauvi* designated as the Ministry’s child labour representative. One such initiative is the development of a National Hazardous Child Labour List to complement *Section 51 (2) of the Labour and Employment Relations Act (LERA) 2013*. The purpose of this list is to identify hazardous occupations and prohibit children under the age of 18 years from undertaking such work e.g. mining, operating dangerous machinery, serving alcohol etc. The division has been developing the list and it is now in draft form. The next stage will require public consultations before submission to Cabinet.

1.8 Registries of Companies & Intellectual Properties Division

OBJECTIVE: Enhance systems and procedures for registration and maintenance of different registries, ensuring full protection of rights of intellectual property creators and proprietors.

PERFORMANCE ACHIEVEMENTS:

Intellectual Property Trainings at Savaii

The Intellectual Property Team with the assistance of Ms Sara Brewin, Australian Volunteer for International Development and a lawyer by profession, conducted a number of workshops in Savaii on 16th and 17th July 2014 on the national Copyright and Related Rights legal framework. The aims of these workshops were to improve secondary school students' understanding of intellectual property laws, the related Government policies and the reasons for the protection of creations of the mind.. The topics presented include:

- ✓ Copyright protection is limited by fair use
- ✓ Copyright duration
- ✓ What are Intellectual Property Rights
- ✓ The types of Intellectual Property
- ✓ What is Copyright and Related Rights
- ✓ The Role of the Registry of Companies and Intellectual Property Division
- ✓ Legal framework of Intellectual Property.

Twenty students from the Asau Secondary School attended the workshop that was held at Vaisala Hotel. The Workshop at Jet Over Motel was attended by 25 students and teachers from Don Bosco School. The extent of awareness and level of understanding displayed during the workshops revealed the need for more awareness and trainings at both school and community levels.



Companies Electronic Registry

Since the implementation of the Electronic Registry of Companies there has been an increase in the number of companies registered within the period under review. The system however needs to be better improved to minimize delays in the filing of annual returns. Companies are reminded during onsite visits and automated reminders are issued via emails on the 1st day of the month and the 20th day of the month in which the annual returns are due.

The division continues to struggle to conduct annual inspections of companies and their share registers given the ratio of inspectors to the size of the Companies Register.

The division has also raised issues with the Ministry of Finance and the Samoa Audit Office with regards to certain conditions of the Tender Process which requires applicants tendering for Government Work Contracts, to be incorporated as a Company. The division has noticed that some companies register only for the tender process and when they fail to get the contracts; these companies are then left in a limbo.

The division in close collaboration with the Asian Development Bank ('ADB') has also conducted training/awareness programmes in Savaii and Upolu for our stakeholders on how to register companies online. The objectives of these trainings were:

- ✓ To familiarize with the use of the online Registry system for companies registration.
- ✓ To demonstrate the features of the Electronic Registry system and
- ✓ To demonstrate to Agents/companies how to file Annual Returns and update companies' details.

A common concern raised during these trainings is the fact that the payments made for the registration of companies are still being made manually in the Apia. This is inconvenient especially for those who are in Savaii. In response, the division is working in collaboration with the ADB the Ministry of Finance and the Bank of the South Pacific to install EFTPOS terminals in MCIL offices in Savaii and Apia as well as developing an Internet Payment Gateway to cater for clients wishing to make payments online. This will be suitable for the division's overseas clientele.

Incorporated Societies Training

The division conducted on-going trainings on the Incorporated Societies Ordinance 1952 both in Upolu and Savaii.

The purpose of these trainings was to inform members of registered Incorporated Societies of their statutory obligations to ensure continued compliance with the provisions of the Ordinance especially the latest amendments. These amendments include the new approved forms for: *Annual Renewal of the Incorporated Societies registration; Removal from the Incorporated Societies Register; Restoration to the Register and Change of Name for any Incorporated Society.*

Participants raised concerns regarding the number of fees to be paid such as accounting/auditing fees by accounting firms which are very expensive given that they are mostly Not-For-Profit Organizations.

The Division advised those present that it would be best if they write a letter as a group to the Samoa Institute of Accountants to ask for a cheaper fee for Incorporated Societies to audit their society's accounts.

The division has noticed an increase in the number of Incorporated Societies that have complied with the new requirements. The new amendments have also allowed the Registrar to intervene in the affairs of Incorporated Societies under certain circumstances to ensure the maintenance of the registration of the Society.

The Division has continued to deregister and dissolve societies that do not comply with the relevant requirements of the Ordinance.



The 4th Business Registries Workshop for Pacific Islands, Sydney, Australia (3-4 March 2015)

The 4th Pacific Business Registries Workshop, a 2-day event co-hosted by ADB and the New Zealand Companies Office (NZCO) was attended by MCIL's CEO and three senior government officials from the Division. It was held at the ADB's office in Sydney, Australia and was also attended by other government officials from 10 Pacific countries to share their knowledge and report on progress made in the region's expanding business registration sector. The Workshop was moderated by ADB advisors from the Pacific Private Sector Development Initiative (PSDI).

The PSDI has been helping Pacific island governments improve their business climates through company law reforms and online business registries, in partnership with NZCO. Established in 2006, PSDI is a regional technical assistance facility co-financed by the ADB and the governments of Australia and New Zealand. PSDI works with ADB's 14 Pacific developing member countries to improve the enabling environment for business and to support inclusive, private sector-led economic growth.

PSDI and its partners have assisted since 2007 in the implementation of electronic business registries in 8 Pacific countries: Federated States of Micronesia, Marshall Islands, Palau, Solomon Islands, Tonga, Vanuatu, Papua New Guinea and Samoa. According to Andrea Iffland, Regional Director of ADB's Pacific Liaison and Coordination Office in Sydney, Australia, "The Pacific is leading the world in the adoption of state-of-the-art business registries. Our partnership with the New Zealand Companies Office continues to result in favorable outcomes for the Pacific and this fourth biennial workshop allows Pacific island governments to take stock of the advances that are being made."

Participants heard first-hand updates from individual countries, complemented by technical presentations covering the latest international trends in electronic payments systems, e-government, and implementation options. The PSDI also addressed the economic benefits of registry reform and the role of registries in private sector development.



Samoa delegation led by CEO Mr. Auelua Samuelu Enari (4th from the right) with officials of the ADB and NZ Companies Offices

It was a very beneficial 2 day workshop for the representatives from Samoa as ADB has given a green light to assisting their proposed requests for enhancing their current projects especially the implementation of the electronic registry for the Personal Property Securities Act.

World Intellectual Property ('WIPO') Sub-Regional Workshop on Copyright and Development for Decision Makers: Port Vila, Vanuatu 19 & 20 January 2015

The WIPO's Sub-regional Workshop on Copyright and Development for Decision Makers held at Port Vila, Vanuatu on 19th and 20th January 2015 was attended by Mr Auelua Samuelu Enari. The Workshop was attended by the Registrars of Intellectual Property ('IP') Offices in the Pacific Region including the Solomon Islands, Vanuatu, Tonga, Fiji, Papua New Guinea Niue, Tuvalu and Samoa. The purpose of the two days' workshop was to enable the Registrars of the Pacific Region countries and guest speakers to share their knowledge and experiences on ways to enhance and strengthen the protection of the IP assets of creators of literary and artistic works.

The speakers from the Australasian Performers Rights Association (APRA) and the Pacific Island Forum Secretariat (PIFS) shared on their different experiences and challenges in the field of Copyright. Mr. Scott Morris from APRA mentioned that one of the many challenges involves the fast changes in technology with the laws that protect copyrighted works struggling to keep up with rapid advancements in technology. This was specifically evident in the protection of digital works and the illegal, unauthorized reproduction of musical works (CDs) audio visual works DVDs, and the difficulties in tracking and monitoring electronic products that cross borders illegally.

A representative from the PIFS presented on the progress made by members of the Pacific Region on the protection of Traditional Knowledge, Cultural Expressions and Folklore. A major challenge is faced by the Pacific Region in terms of a Model Law for Traditional Knowledge that the PIFS has been working on since 2002, since it seems that the WIPO's Intergovernmental Committee still has not finalized their decisions on a Model Law. It appears that the members of the WIPO's Intergovernmental Committee keep changing their minds resulting in uncertainties regarding what a Model Law on Traditional Knowledge should constitute.

The presentations were rounded off with a presentation from the World Intellectual Property Organization (WIPO) on its assistance available for WIPO members and the WIPO's work plan for 2015. One of these major works which has improved the protection of IP assets under Copyright is the "Beijing Treaty on Audiovisual Performances". This Treaty was ratified at the Diplomatic Conference on the Protection of Audiovisual Performances held in Beijing on 24th July 2012. The main objective of the Treaty is to modernize and update digital protection for singers, musicians, dancers and actors under the Rome Convention 1961. Samoa is not yet a member to the Beijing Treaty.

World Intellectual Property Day – April 26



The purpose of the World IP Day is to increase awareness and understanding of IP and to promote its role in encouraging Innovation and Creativity throughout the world. The Ministry in collaboration with the WIPO celebrated the World IP Day on 26th April 2015. The theme for the World IP Day is set by the WIPO each year and this year's theme is **"GET UP, STAND UP. FOR MUSIC."**

This year's theme is based on the famous song by Bob Marley and the Wailers – "Get up, Stand up, Stand up for your rights" – a song that has become an enduring international anthem for human rights. According to WIPO's Director General Francis Gurry, it is essential for a vibrant culture that creators, composers, songwriters and performers are able to enjoy a decent financial existence through deriving economic value from their music.

The World IP Day campaign theme, **"Get Up, Stand Up. For Music"** is a reminder that music is of enduring value to our society, economy and culture. In addition to its human and cultural value, the economic worth of music flows from the IP rights associated with original works, their adaptation, performance and distribution. These IP rights influence the various commercial deals that occur within the music industry every day. Of all the IP rights (Copyright, design rights, trademarks, patents etc), Copyright and related rights are the most relevant to musicians.

Samoa and other developing countries' music markets, which are largely untapped, offer potential for economic growth. The development of licensed music markets in countries like Samoa can translate into more investment in local musical talent, enable new music businesses to flourish and help support the long-term sustainability of both the local and global music industry. Our own Samoan local music involves all genres and styles– from Traditional folk lore music to modern day Samoan hip-hop, rap and so forth. This music that we enjoy comes from the creativity, hard work and intellect of not only our local artists but also many creative people around the world – singers and songwriters, musicians and publishers, producers, arrangers, engineers and many others. The technologies through which

we access music and whereby music is created changes almost as quickly as the business models that support them.

The World IP Day therefore provided a unique opportunity to join with others around the world to consider how IP contributes to the flourishing of music, arts and to driving the technological innovation that helps shape our world. To commemorate the World IP Day this year, the Division had conducted various activities which included:

- Radio talkback interviews on Talofa FM and 2AP on the mornings of Wednesday 22nd April and Friday 24th April 2015. The aim of these radio talkback interviews was to make known to a wider audience the importance of the World IP Day, the Copyright laws and the importance of IP in Samoa.
- Questions prepared by the IP Registry and posed to members of the public to gauge their awareness and understanding of Copyright, conducted by the 'Street Talk' staff of the Samoa Observer during the week ended 26th April 2015.
- New brochures prepared on the various types of IP: Copyright (Samoan version), Trademarks (in English and Samoan) and Designs (in English and Samoan), to coincide with the World IP Day's public awareness activities.
- A press release on the World IP Day and its theme published in the Samoa Observer Sunday edition of 26th April 2015
- Information booth aimed at increasing public awareness of IP matters hosted by Division staff, held at the Ground Floor of the ACC Building in Apia in the afternoons of 23rd and 24th April 2015.

CHALLENGES

The Division is responsible for the administration and enforcement of 10 of the 28 legislation that the MCIL is currently responsible for. The Division's mandate involves more than the mere statements of the Ministry Corporate Plan. That is, apart from maintenance of the Registries, the Division is supposed to carry out onsite visits, undertake investigation of breaches of the legislation it is responsible for and conduct awareness, workshops and trainings for its relevant stakeholders. This is in addition to its advisory role on policy matters pertaining to its mandates.

In the previous years, the Division has struggled to achieve its deliverables because of its high turnover of staff and the limited number of staff employed to discharge the division's mandates. The Division is therefore in need of a review of its divisional structure and more important an increase in the salaries of current staff to keep their experience and knowledge within the team. The Division's restructure was submitted to the Public Service Commission to address this need as this has affected the ability of the Division to collect relevant revenues and to perform at optimum levels.

The RCIP Division has been heavily involved in this period with relevant awareness programs and workshop trainings given recent technological developments and legislative enforcements such as the implementation of the E Registry for Companies, automated system for Trademarks and the new requirements under the Incorporated Ordinance for the annual renewal of Incorporated Societies.

2.2: KRA 2: OUR CLIENTS/PARTNERS:

The following KRAs are sub categories reflected in the Ministry's current Corporate Plan.

Objective 2.1: Enhance effective dialogue/engagement with clients/partners to achieve expected outcomes

The Ministry continues to develop tools to engage more with partners and to get their feedback on the Ministry's services. The tools include our suggestion box located at the Ministry's premises where we receive constructive feedback on our services. The Ministry welcomed this feedback as ways to improve our services, as a means to measure customer satisfaction and they provide actionable insight to create a better customer experience. The Corporate Services Unit has taken the lead in ensuring staff are aware of the Ministry's services by conducting annual customer service refreshers.

Objective 2.2: Enhance mutual understanding to maintain partnerships with private sector and public sector

The Ministry with the assistance of Ms Iona Salter, Australian Youth Ambassador Volunteer ('AYAD') developed a Communication Strategy for the Ministry to help us achieve our overall objectives. MCIL exists to foster economic growth for all. It does so by assisting in the formulation of laws for the private sector, enforcing those laws, and providing a range of services to support businesses, consumers, employees and job seekers. Communication plays a huge part in this, especially given the current environment of regulatory changes following Samoa's accession to the WTO. Equipping staff with the knowledge and understanding of how to effectively communicate with its stakeholders and public is crucial in strengthening our partnerships with the private and public sectors.

MCIL continues to keep its partners and stakeholders informed of its services and what we do through quarterly newsletters as well keeping our Ministry website up to date with relevant and quality information required for its users. The Ministry website is currently being redesigned to make it more user friendly, and make the information more relevant to our clients. It is worth noting that the internet provides huge potential for more efficient service provision. MCIL's online companies' e-registry is an example of this. The Ministry anticipates a high level of public and private sector engagement in the coming financial year as it launches its Internet Payment Gateway undergoes the implementation of the Personal Properties and Securities Registry and implementation of the Intellectual Property Regulations. The Ministry has taken advantage of the ICT technology to ensure its services are delivered in an effective and efficient manner across all its clients.

The Ministry also participates in other sectors/ministries' awareness programmes such as the Public Service Day, NUS Open Day, and Samoa Qualification Authority Career Day as well as its own awareness programs in Savaii. It has on numerous occasions been invited to present for other sectors/ministries activities where linkages are evident. The Ministry also fully supports other national Government initiatives such as the Annual Clean-up for Independence and Teuila Festival.

A lot of the Ministry's time is invested in fostering greater partnership with the various stakeholders particularly for Ministerial Board and Committees that it is a member of. The Ministry through its Divisions continues to respond and address queries from stakeholders and clients daily. The Ministry is represented in meetings, workshops and trainings, Committees and Task Forces to contribute to policy formulation and discussions on matters pertaining to its work, for example the National Working Committee on Trade Agreements (NWCTA), Money Laundering Task Force, Heritage Committee Meeting, the consultation Fagaloa Taskforce Meeting, Ie Samoa Taskforce and the Consultation on the National Cultural Policy. **Annex 1** lists these Boards and Committees.

Objective 2.3: develop evidence based policies aimed at improving service delivery

During the period under review, MCIL had come under intense media scrutiny in terms of its legislative mandate e.g. the LERA, the Citizenship by Investment Bill and particularly its handling of the Samoa Farmers' Association matter as well as other issues relating to its services. In all of these different matters, it is always the aim of the Ministry to ensure that its customers and stakeholders are aware of and complying with their obligations under the relevant legislation that falls within MCIL's legal mandate.

Internally, the Legal Consultant and AYAD volunteer Mr Tim Sherry developed a Compliance Policy to assist the Ministry with its attempt to ensure compliance with the laws it administers. Due to the number and complexity of matters and the limited resources with the Ministry, decisions are made as to the most appropriate compliance and enforcement option applicable to each matter or complaint. The most appropriate option will not always be enforcement (i.e. Court action). It is envisaged that this Policy will be implemented and enforced in the next financial year to ensure MCIL is responding quickly to allegations of breaches of the law, conducting compliance and education campaigns and providing information and advice on a timely basis to consumers, investors, employees and businesses.

2.3: KRA 3: OUR MINISTRY CAPABILITY:

Objective 3.1: continuous improvement for an efficient and effective performance and service delivery

The Ministry continues to review and monitor its performance progress and identify options for delivering the best way forward. Divisions performance targets are relevant and prepared on a timely basis according to the Government's performance based budgeting. A committed effort is made to align what is provided as key result areas in the Ministry's Corporate Plan with indicators required for the budget. Regular monitoring is performed by the Corporate Services division with month end financial reports and advice provided to divisional managers on their performance progress and options for way forward. Mid-year performance reviews as well as forward estimate activities provide avenues for managers to review and measure what have been achieved and how resources may need to be adjusted to meet emerging priority needs.

Objective 3.2: apply risk Management framework to all key activities

The Ministry's Occupational Safety and Health Framework is currently being reviewed by its internal OSH Division to ensure that the Ministry complies with the OSH Legislation in the safety and health of its staff as well as its clients and stakeholders. The development of a Business Continuity Plan for the Ministry is being developed, to ensure the smooth operation of its offices in the event of a natural disaster or in case of a national emergency. It is envisaged this framework will be implemented in the next financial year.

Objective 3.3: sound financial performance and management

The Ministry's Finance team continues to work closely with the Executive Management in providing recommendations for reallocation of funds where managers require funds be redirected. Annual

refreshers for budget planning and procurement processes are carried out during the year. Internal controls have also been strengthened to increase awareness of control measures for procurements of the Ministry. Within this financial year, the Ministry was called by the Commerce, Industry & Labour Parliamentary Committee to respond to issues raised by the Audit Office for the financial years 2011-2012. A progress of actions to address the audit issues of 2012-2013 audits was submitted to the Audit Office. It was noted that the audit exercise has helped the Ministry in strengthening some of the gaps in its internal controls from the 2011-2014 years. The Ministry is preparing for the audit of the financial year 2014-2015.

3.3.1: COST RECOVERIES/REVENUE COLLECTION FOR THE PERIOD 2014-2015

The financial year under review saw an increase of 18% of Revenue targets for the Ministry compared to the financial year 2013-2014. At year end, the Ministry managed to collect 132% more than the projected income, an increase of 12% from 2013-2014. This is out of the four recovery outputs of the Ministry, i.e. Registration fees for Foreign Investment Certificates, Apprenticeship Scheme training fees, Foreign Employment Permits as well as fees collected for Registries of Companies and Intellectual Properties. Since its inception in 2014, the fees collected for the implementation of Foreign Employment Permits have increased dramatically.

Table 1 below provides further details of recoveries for the period.

STATEMENT OF MINISTRY RECEIPTS FOR PERIOD 30 JUNE 2015				
COMMERCE, INDUSTRY AND LABOUR	2015 \$	Estimate \$	(Over)/Under \$	2014 \$
RECEIPTS				
ORDINARY RECEIPTS				
Other Receipts	967,055	417,089	(549,967)	424,655

3.3.2 EXPENDITURE DETAILS

The financial year 2014-2015 saw a 36% reduction in the Ministry's total Budget Appropriation compared to last financial year 2013-2014. The decrease of Appropriation is due to a reduction of the annual grant to the Samoa Tourism Authority under the Third Party Transactions. This budget category is approved and managed by the Ministry of Finance and MCIL is not responsible or accountable for the way the funds are utilized or reported.

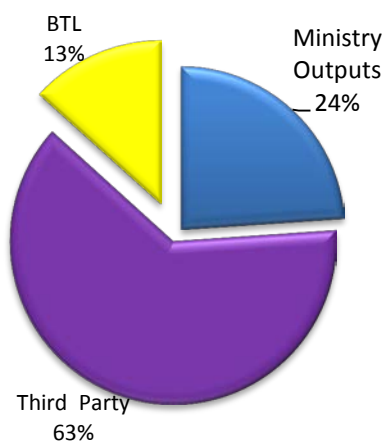
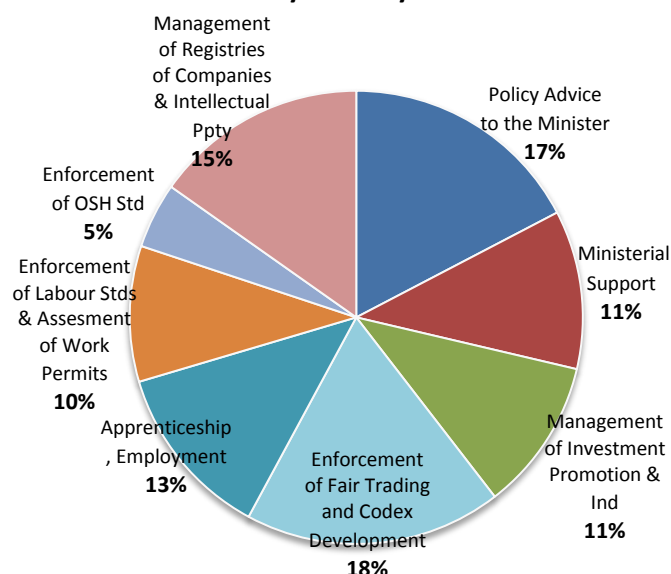
Chart 1: FY14-15 Appropriation - \$16.94m**Chart 2: % YTD Utilization of \$4.053m - Outputs Delivered by Ministry**

Chart 1 outlines the allocation of the Ministry's budget appropriation.

As shown, only **24% (\$4.053m)** of the **\$16.94m** is provided directly for the implementation of the **Ministry's Outputs/Activities** through **Staff salaries and Operations**, **13% (\$2.252m)** is allocated for the **Ministry Transactions on Behalf of State's** financial obligations with International Organisations that Samoa is a member of as well as Rent/lease charges of office spaces and grants to the Private Sector and **63% (\$10.637m)** for **Third Party Outputs**.

Chart 2 provides a snapshot of the distribution of the Ministry's actual spending by Division.

At year end, the Ministry spent **95%** of the **Ministry Outputs** compared to last financial year's delivery of 92%. High spending was noted for the Fair Trading & Codex Development Division mainly due to the construction of the Savaii office extension to ensure efficient and effective service delivery is achieved for the Ministry's clients and stakeholders, followed by the CEO's Output – Policy Advice to the Minister for full funding of the Samoa tripartite (Employers, Employees & Government) delegation's participation in the 104th International Labour Conference in Geneva. Samoa is attending this annual Conference every two years due to budget constraints.

For the **Transactions on Behalf of State** component, the Ministry was able to settle its financial obligations in terms of **membership fees** to International Organizations that Samoa is affiliated with such as ILO, Consumer International, WAIPA, WIPO and UNIDO. **Government** also provided **financial assistance** to the **Private Sector** to the value of **\$200,000** as well as **Government's contribution** in its continuous support of the **Apprenticeship Training Scheme** of **\$125,300** to the **National University of Samoa** to ensure trades men and women are given equal opportunity to upgrade their skills and to provide qualified trades men and women to the local workforce.

Appendix 2 highlights **performance results achieved** based on targeted activities planned and for which funds/budget were approved for the 2014-2015 financial year.

2.4: KRA 4: OUR PEOPLE:

KRA 4.1: strategically focused and effective leadership and management

The Management team under the leadership of the CEO continue to hold weekly management meetings for the discussion of issues, reviewing of progress of work plans as well as brainstorming of solutions for problems and challenges encountered. Discussion is also made on policy gaps noticed after initial implementation of some of the legislation.

Decisions made by the management team are disseminated across staff members for their information and feedback. Management encourages room for innovative ideas and inclusion of staff in the Ministry's operations to ensure effective service delivery to the public and stakeholders.

KRA 4.2: staff who are qualified, skilled and experienced for their role and future service challenges

During the year, the Ministry had submitted to the PSC proposals for restructuring of some of its Divisions. However, due to PSC ministry wide functional review, this was deferred once again. The Ministry awaits a functional review report of its functions to ensure there is a map (or match?) between current staff skills and skills required to achieve results as well as whether there is a need for additional staff to implement the 28 legislation of the Ministry.

Managers are encouraged to set staff annual performance targets as a monitoring tool of their individual work plans and assessment of performance. Managers also play a crucial role in implementing action plans in the Workforce plan for staff's professional development. A number of these action plans are continually being implemented with staff representing Samoa in official meetings, workshops and trainings both locally and internationally. Staff has also been given opportunities to pursue higher education in our Universities as well as in country trainings offered by the PSC and other agencies.

KRA 4.3: develop a culture of safety, quality, innovation and high performance.

A number of internal trainings were conducted by the Legal Unit for the review of legislation so that staff members are able to understand and implement legislation as they get approved.

SECTION 3: MCIL STATEMENT OF EXPENDITURES BY OUTPUT APPROPRIATION FOR YEAR ENDED 30 JUNE 2015:

MINISTRY OF FINANCE



STATEMENT OF CERTIFICATION

The Statement of Receipts and Payments and accompanying notes forms part of the Schedule 2- Budget, Receipts and Payments, Schedule 6 – Receivables, Schedule 11 – Receipts and Payments on Grants and Schedule 12- Special Purpose, of the Public Accounts 2014. They are drawn up in accordance with the reporting requirement of the Public Financial Management Act 2001, Part XIV, Financial Reporting and International Public Sector Accounting Standard (IPSAS).

As required by PFM Act 2001, Section 110, Ministry of Finance hereby certifies that the attached Ministry of Commerce, Industry and Labour, Statement of Receipts and Payments and accompanying notes is based on the results for the year ended 30 June 2014, as reflected in the accounting records of the Ministry of Finance for the Treasury Fund.

We are also, currently reviewing template reports and align our reporting requirements to improve compliance to the PFM Act 2001 and IPSAS. Therefore, this is the first time the attached template is presented, and comparative figures will be reflected in the FY 2015.

On behalf of the Government of Samoa.

Lavea Iulai Lavea
Chief Executive Officer

Date:

17/12/14

STATEMENT OF MINISTRY RECEIPTS BY REPORTING CATEGORY
AND EXPENDITURE BY OUTPUT
APPROPRIATION ACCOUNT
for the financial year ended 30 June 2015

	2015 \$	Estimate \$	(Over)/Under \$	2014 \$
COMMERCE, INDUSTRY & LABOUR				
RECEIPTS				
Ordinary Receipts				
Other Receipts/Other Revenues	962,719	417,089	(545,631)	424,655
TOTAL RECEIPTS	962,719	417,089	(545,631)	424,655
PAYMENTS				
Outputs				
1.0 Policy Advice to the Responsible Minister	633,994	713,760	79,767	463,870
2.0 Ministerial Support	441,205	467,426	26,221	451,015
3.0 Management of Investment Promotion & Industry	421,487	448,164	26,678	437,749
4.0 Enforcement of Fair Trading and Codex Development	711,868	724,544	12,676	648,940
5.0 Administration of Apprenticeship Scheme & Employment Services	489,559	517,484	27,925	479,377
6.0 Enforcement of Labour Standards & Work Permits	374,025	388,138	14,113	399,086
7.0 Enforcement of Occupational Safety & Health Standards	181,334	181,309	(25)	171,922
8.0 Management of the Registries of Companies & Intellectual Properties	590,784	612,060	21,276	613,706
Total Outputs	3,844,256	4,052,885	208,629	3,665,665
Third Party Outputs				
Samoa Tourism Authority (STA)	10,187,010	10,187,010	0	12,013,588
Samoa Business Enterprise Centre (SBEC)	450,000	450,000	0	450,000
Total Third Party Outputs	10,637,010	10,637,010	0	12,463,588
Transactions on Behalf of State				
Membership Fees				
International Labour Organisation	10,598	11,142	544	10,143
International Organisation for Consumer Union	1,270	6,200	4,930	1,217
World Intellectual Property Organisation(WIPO)	4,916	5,000	84	3,940
World Association of Investment Promotion Agency	6,100	9,000	2,900	6,022
United Nations Industry Development	2,037	11,560	9,523	4,306
	24,922	42,902	17,980	25,628
Government Policies / Initiatives				
Contribution to Private Sector	200,000	200,000	0	150,000
Apprenticeship Training Provider NUSOT	125,300	125,300	0	125,300
	325,300	325,300	0	275,300
Counterpart Costs				
Private Sector Support Facility (PSSF)	50,000	50,000	0	50,000

Rents and Leases				
ACB Building Rent/Lease	684,671	704,977	20,306	827,645
Yazaki Rent/Lease	696,024	703,033	7,009	928,032
Government Building Lease	37,250	37,250	0	41,461
Rent - Fair Trading Division Office in Savaii	4,884	5,616	732	4,615
	1,422,828	1,450,876	28,048	1,801,753
VAGST Output Tax	278,235	383,170	104,935	345,414
Total Transactions on Behalf of State	2,101,285	2,252,248	150,963	2,498,095
TOTAL PAYMENTS - COMMERCE, INDUSTRY & LABOUR	16,582,550	16,942,143	359,592	18,627,348
RECEIPTS OVER PAYMENTS	(15,619,831)	(16,525,054)	(905,223)	(18,202,693)
GOVERNMENT DEVELOPMENT PROJECTS				
External Receipts				
Grants - GDP	2,413	6,379,694	6,377,281	1,008,796
Expenditure				
Donor funded	594,083	0	(594,083)	973,594
RECEIPTS OVER PAYMENTS	591,670)	6,379,694	6,971,364	35,202

APPENDIX 1: LIST OF MCIL LEGISLATION AND AFFILIATIONS AS AT END JUNE 2015

1	Apprenticeship Act 2014	17	Incorporated Societies Ordinance 1952
2	Apprenticeship Regulations 2014	18	Incorporated Societies Regulations 1973
3	Charitable Trusts Act 1965	19	Intellectual Property Act 2011
4	Companies Act 2001	20	International Date Line 2011
5	Companies Regulations 2008	21	Labour and Employment Relations Act 2013
6	Consumer Information Act 1989	22	Labour and Employment Regulations 2015
7	Cooperatives Societies Ordinance 1952	23	Metrology Act 2015
8	Cooperatives Societies Regulations 1954	24	Occupational Safety and Health Act 2002
9	Copyright Act 1998	25	Occupational Safety and Health Regulations 2014
10	Credit Union Ordinance 1960	26	Personal Property Securities Act 2013
11	Daylight Saving Act 2009	27	Public Holidays Act 2008
12	Fair Trading (Approved Egg Standards) Regulations 2010	28	Receiverships Act 2006
13	Fair Trading Act 1998	29	Securities Act 2006
14	Foreign Investment Act 2000	30	Trade Commerce and Industry Act 1990
15	Foreign Investment Amendment Act 2015	31	Transitional Provision Act 2006
16	Foreign Investment Regulations 2011		

The mandates of the Ministry are also affected by the following **international treaties and obligations and a party to Trade Agreements**:

International Organisations	Treaties and Obligations, Trade Agreements
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 • 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
ACP-EU	• Economic Partnership Agreement - ongoing
PACER PLUS and PICTA	• General Agreement on Trade in Goods • General Agreement on Trade in Services • Investment Chapter • Temporary Movement of Natural Persons
World Trade Organization	• Anti-dumping and Countervailing Measures • Sanitary and Phytosanitary Measures • Technical Barriers to Trade • Trade Related Aspects of Intellectual Properties • Trade Related Investment Measures • General Agreement on Trade In Services

At the **national level**, the Ministry's mandates are also impacted by the following:

- 1) 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**
- 2) Trade Commerce and Manufacturing Sector Plan 2012-2016,
- 3) Immigration Act 2004, amendments and regulations

- 4) Ministerial and Departmental Arrangements Act 2003,
- 5) Public Finance Management Act 2001, amendments, regulations, manuals and instructions,
- 6) Public Bodies (Performance and Accountability) Act 2001 and,
- 7) Public Service Act 2004, amendments, regulations and instructions

The Ministry leads the following **legislated Boards and Committees**:

- 1) Apprenticeship Council
- 2) Industry and Development Board
- 3) National Codex Committee
- 4) Prices Control Board,
- 5) Private Sector Support Facility Coordinating committee
- 6) Samoa National Tripartite Forum
- 7) Trade, Commerce and Manufacturing Sector Steering Committee & Taskforce (MCIL)

The Ministry has affiliated work and sits in as **committee member on the following Committees and boards**:

- 1) Accident Compensation Corporation (ACC) Board
- 2) Agriculture Sector Plan – Steering Committee (MAF)
- 3) Convention on Elimination of Discrimination Against Women (CEDAW-MWCSD),
- 4) Climate Change committee (MNRE),
- 5) Commercial Fisheries Management Advisory Committee (CF- MAC - MAF)
- 6) Fire Emergency Service Committee (FESA),
- 7) Forestry Board (MAF)
- 8) Investment Committee (MOF)
- 9) Livestock – Management Advisory Committee (L-MAC – MAF)
- 10) National Disaster Management Committee (MNRE)
- 11) National Energy Committee (MOF)
- 12) National heritage committee – (MESC)
- 13) National Revenue Board (MOF)
- 14) National Tobacco Control Committee (MOH)
- 15) National University of Samoa
- 16) National Working Committee on Trade Agreements (MFAT)
- 17) Ozone committee (MNRE)
- 18) Pesticides and Pollutant Committee (MNRE)
- 19) Petroleum Taskforce Committee (MOF)
- 20) Post-Secondary Education training (PSET) Committee,
- 21) SACEP – Agriculture (MAF)
- 22) Samoa Bureau of Statistics (SBS) Steering Committee
- 23) Samoa National Youth forum (MWCSD)
- 24) Samoa Qualification Authority (SQA)Board
- 25) Small Business Enterprises Centre
- 26) Tourism Cyclone Recovery Programme (STA)
- 27) Trade Advisory panel (SQA),
- 28) Traditional Knowledge committee (SQA),
- 29) TVET Implementation Committee (MESC)

APPENDIX 2: PERFORMANCE MEASURES/INDICATORS ACHIEVEMENTS – FY14-15

1.0: POLICY ADVICE TO THE MINISTER

Output Manager: Chief Executive Officer

OBJECTIVE: Provide appropriate policy advice to the Minister on all areas of the Ministry's mandate by leading the effective management and oversight of the Ministry outputs through the effective use of resources

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
2012/2013 and 2013/2014 Annual report tabled in parliament	N/A	December 2013 & June 2014	July 2014 and November 2014	Parliamentary Committee completed discussion of Annual report 2012/2013. Await discussion of 2013/2014 Annual Report and tabled in Parliament
Annual HR report for PSC and Procurement report for MOF submitted on time	N/A	N/A	Annual HR - before end Sept 2014, Procurement before 15th of month following every end of quarter	Annual HR Report 2014-2015 completed and submitted to PSC on status of the ministry's HR developments and management. 4 Quarterly procurement reports completed and submitted to MOF on time
Reviewed Corporate Plan, formulate and develop business continuity plan and ICT Strategy	N/A	June 2014	December 2014	Mid Term Review of Corporate Plan to commence in July 2015.
MTEF and M&E Framework for Trade Sector Plan completed and implemented	New Measure	New Measure	July 2015	MTEF Completed and M & E Framework to be completed once mid-term review of Corporate Plan is completed to mainstream the sector initiatives into the National Planning of Government and Corporate Plan. To date 16 activities have been implemented and more are in the pipeline given the approval of Tier 2 projects in June 2014

2 x legal trainings for staff on new legislations	New Measure	New Measure	Nov 2014 & March 2015	Trainings to be conducted in the next financial year due to shortage of staff in the Legal Unit which is currently a one man Unit with the assistance of AYAD volunteer
Provide legal support for review of at least 4 Legislations	New Measure	New Measure	April 2015	Legal Unit continue to work closely to with the various MCIL divisions to provide legal advice, provide legal guidance on policy matters and work with the Attorney General's office on legislative reform matters.

2.0: MINISTERIAL SUPPORT

Output Manager: Chief Executive Officer

OBJECTIVE: Provide efficient and effective support to the Minister in the management and administration of his portfolio of responsibilities and various mandates of the Ministry to facilitate the development of commerce, industry and Labour in Samoa.

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
Level of satisfaction of the Minister with Ministerial Support provided by the Ministry	N/A	85%	85%	On going support services for the DPM Office

3.0: MANAGEMENT OF INDUSTRY DEVELOPMENT & INVESTMENT PROMOTION

Output Manager: Assistant CEO, Industry Development & Investment Promotion

OBJECTIVE: Provide a high level of industry development and facilitating an investment friendly environment

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	

The number of Duty Concession Schemes applications received and approved (Tourism & Manufacturing Development)	15 (FY2009/2010)	15	10	10
---	------------------	----	----	----

TOTAL NUMBER OF NEW APPLICATIONS RECEIVED & ACTIONED:

Ten (10) applications were received and actioned as follows:

1. Samoa Tradition Resort (Cabinet approved as qualified Tourism Project)
2. Lava Hotel Limited (Cabinet approved as qualified Tourism Project)
3. Aggie Grey's Hotels (Rec'd & assessed by MoF & Cabinet approved as a qualified Tourism Project excluding refurbishment)
4. Apia Deep Fishing Ltd (Cabinet approved as a qualified Manufacturing Project)
5. Greenpower Samoa Ltd (Cabinet approved as a qualified Energy Manufacturing Project)
6. Sun Pacific Ltd (Rec'd & assessed by MoF & Cabinet approved as a qualified Energy Manufacturing Project)
7. RMR Food Ltd (Investment Committee declined application for Solar Panel Energy Production for the Factory)
8. Tank Guy (MCIL declined request for duty exemption on retrospective nature of project and advised the company to submit a new and proper application for goods to be imported.
9. TH Plantation (MCIL rec'd application and process recommending approval to Investment Committee & Cabinet as a qualifying Manufacturing Project).
10. NETVO (MCIL rec'd application and has advised the company to submit a new and proper application with all info required for assessment).

REQUESTS FOR ADDITIONAL GOODS:

A total number of 9 requests for additional goods were received from Taumeasina Development and approval was granted by MoF. The request by Sun Pacific Ltd for approval of additional goods is currently being processed.

REQUESTS FOR EXTENSION OF INCENTIVES:

Three (3) requests were received for extension of incentives:

1. Samoa Beverage Company - applied first and was declined by the Investment Committee on the basis that there is no legal mandate for approving extension for manufacturing goods. The company again request reconsideration of capital equipment only but it was again declined by Investment Committee for the same reason.
2. Survivor Samoa Resort - applied for extension of incentives and the Investment Committee approved due to delay upon compliance with requirement by MNRE.
3. The application by Samoa Superior Poly Products a tank producing company was rec'd & assessed by MCIL and will be submitted to the Investment Committee for consideration subject to receiving additional required information from the company.

REQUEST FOR TRANSFER OF INCENTIVES:

Only one (1) company i.e. Su'a Pale Ltd requested transfer of its incentives to Return to Paradise Resort Ltd as the Hotel Accommodation Provider or entity as Su'a Pale Ltd has changed its status to a construction company. Four meetings of the subcommittee and the Investment Committee were conducted to deliberate on this matter.

NUMBER OF ENTRIES STAMPED:Total of 307 entries were received

Companies	# of Entries
Yazaki EDS Samoa	152
Taumeasina	94

Samoa Superior Ltd	11
Sun Pacific Energy Ltd	7
Green Power	10
Aggie Grey's Hotel	10
Aggie Grey's Resort	12
Apia Deep Sea	1
Halleck (Survivor Samoa	1
Sua Pale	7
Saletoga Sands Resort	1
Willex Samoa	1

NUMBER OF INSPECTIONS UNDERTAKEN:

5 inspections were carried out

4 inspections in Upolu (8th August 2014, 18th November 2014, 19 November 2014 and 13 January 2015),

1 joint inspection in Savaii (1st - 4th December 2014)

Date by which the Duty Concession Scheme quarterly reports are submitted to Cabinet through the Minister of Commerce, Industry and Labour	N/A	1 st report – 28 Sept 13 2 nd report – 24 Dec 13 3 rd report – 29 Mar 14 4 th report – 28 Jun 14	1 st report – 29 Sept 14 2 nd report – 24 Dec 14 3 rd report – 31 Mar 15 4 th report – 30 Jun 15	The 6 monthly report for 1st and 2nd quarter was submitted & endorsed by Cabinet on 25 March 2015 as per FK (15)11. The 6 monthly reports for 3rd & 4th quarter is currently compiled targeting submission to the Cabinet for endorsement by end July 2015.
--	-----	---	---	---

The number of small operators duty exemption applications received and approved (Manufacturers - agricultural, handicraft, elei and garment; commercial poultry farmers)	5 (FY 2008/2009)	5	5	No applications received for this whole Financial Year but we have received and responded to a number of enquiries from the private sector on the scheme.
---	------------------	---	---	---

Date by which further review of the eligibility criteria (threshold) will be completed.	N/A	30 Jun 14	31 Dec 14	On going
--	-----	-----------	-----------	----------

The Ministry understands that one of the reasons for no applications received is that the threshold is too high for operators to meet in order to qualify. The Ministry has also enquired the Ministry for Revenue on the reconsideration of the threshold as the main reason for private sector not applying under the scheme. The Ministry of Revenue has responded that they are working on the review and will revert to the Ministry at a later stage. The Ministry will follow up a response from MfR on an update of their tariff review process. We have also noted that Parliament is currently debating a Bill to effect the increase of the threshold from \$78,000 to \$130,000 subject to the approval of the new Bill the eligibility criteria will be reviewed.

The number of Export Development Scheme (EDS) applications received and approved by the EDS Committee and Cabinet.	N/A	5	5	On going																					
The EDS Committee has finalized the Deed of Guarantee in December 2014 and met with Commercial Banks in January 2015 to discuss its finalization. With comments received from the Banks the Deed was further revised by the EDS Subcommittee led by the Office of the Attorney General. The Deed of Guarantee and Guidelines were finalized in June 2015 for Cabinet's final endorsement for implementation of the scheme in July/August of the next FY 2015/16.																									
The number of PSSF applications received and approved an indication of increased level of awareness and participation of private sector in accessing Private Sector Support Facility (PSSF)	57 (FY2009/2010)	90	100	Achieved																					
A summary and breakdown of Sectors and Amount Approved are provided below: Total Number of Applications Received : 419 Total Applications Approved & Amount : 391 Total Applications Declined: 28 Majority of applications received were from the Agriculture Sector and the participation of the following Associations & Government Agency to overseas exhibitions (SAME Australia Trade Show, SBEC & SCCI coordinated 2 Samoa Trade Fair in Am. Samoa and SHA SPTE & Australia Roadshows).																									
<table><tr><th>Sectors</th><th># of Applications</th><th>Total \$SAT</th></tr><tr><td>Agriculture</td><td>208</td><td>\$629,865</td></tr><tr><td>Technology</td><td>136</td><td>\$1,071,358</td></tr><tr><td>Tourism</td><td>63</td><td>\$38,102</td></tr><tr><td>Services</td><td>9</td><td>\$24,106</td></tr><tr><td>Fisheries</td><td>3</td><td>\$68,230</td></tr><tr><td>TOTAL</td><td>419</td><td>\$1,831,661</td></tr></table>	Sectors	# of Applications	Total \$SAT	Agriculture	208	\$629,865	Technology	136	\$1,071,358	Tourism	63	\$38,102	Services	9	\$24,106	Fisheries	3	\$68,230	TOTAL	419	\$1,831,661				
Sectors	# of Applications	Total \$SAT																							
Agriculture	208	\$629,865																							
Technology	136	\$1,071,358																							
Tourism	63	\$38,102																							
Services	9	\$24,106																							
Fisheries	3	\$68,230																							
TOTAL	419	\$1,831,661																							
Note: The increase amount of budget spent on Technology Sector due to the participation of the following Associations (SAME, SBEC & SHA) to overseas exhibitions and also for SAME's members for their ISO Certification.																									
Date by which the Private Sector Support Facility 6 monthly reports are submitted to Steering Group, Ministry of	N/A	31 Jan 2014	31 Jan 2015 (6 months) 31 July 2015 (annual)	Achieved																					

Finance and Development Partners.

6 monthly report submitted to MoF and Development partners in March 2015 & presented to the Cabinet Development Committee in April and to Cabinet. The 2014-2015 annual report will be submitted to the Steering Group by August 2015.

The number of public awareness programs on all schemes conducted on tv/radio/newspaper and with various private sector associations	N/A	4	4	Achieved
--	-----	---	---	----------

2 newspaper advertisements, 4 ads on MCIL quarterly e-newsletter and also the MCIL Corporate Website. A total of 12 awareness programs were conducted by the whole F/Y1415 for the PSSF scheme as follows;

1. LDS Church Youth & Entrepreneurial Awareness Programs in both Upolu and Savaii. (10th January/7th March 2015)
2. TCM Tariff classification workshops in both Upolu & Savaii
3. Presentation to the Farmers Association in August 2014.
4. National Strategic Liberalization workshops for both Upolu & Savaii (November and December 2014)
5. Two newspaper ads in 2014 (Samoa Observer)
6. Four ads on the MCIL quarterly e-newsletter
7. One ad on the MCIL Corporate Website
8. Publication of the Directory of Technical and Financial Assistances

The number of foreign investment registrations	37 (FY2009/2010)	90	50	63
---	------------------	----	----	----

NEW APPLICATIONS:

The target for FY1415 was achieved with a total of 63 new FIE's registered within this FY for the following sectors: Professional Services (16), Retailing (10), Café/Restaurant (8), Information (6), Construction (6), Other Services (3), Wholesaling (3), Accommodation (2), Air and Sea Transportation (2), Manufacturing (2), Agriculture (1), Fisheries (1), Banks and Finance (1), Health (1), Entertainment and Recreational Activities (1)

AMENDMENTS & CERTIFICATES ISSUED:

Additional Activities - 12, Additional Branches - 1, Certificates Issued - 7, Change in Location - 1, Amendment to Activities - 1, Change in Activities - 1, Removal of Trading Name - 1, Change in Name - 1, Amendments to Shareholders - 1

The percentage of foreign investors complying with requirements of the Foreign Investment Amendment Act 2011 (based on monthly monitoring/enforcement site visits).	N/A	100%	90%	Achieved
There has been only 1 new case of suspected non-compliance of non-citizens that has been detected by the team during this period and similarly to previous cases this involves the retailing sector of the reserved activities. <u>MONITORING</u> The team also carried out 3 separate spot checks to the cases which were previously detected and suspected of fraud. Apart from these spot checks the team also carried out 2 routine inspections to recently registered FIE's to also find out whether these FIE's were carrying out the activities approved to them in their FIC's The overall target of 90% compliance has been sustained with on-going spot checks and inspections that are being carried out together with the FEP team.				
Date by which the foreign investment report is submitted to the Minister of Commerce Industry & Labour	N/A	24 Dec 14	24 Dec 15	The due date for compilation of the report is by December 2015, however August 2015 is targeted for finalization of the FIC Annual Report for FY2014.15
Date by which assistance will be identified under the TCM Sector Plan for the review of sector profiles	N/A	24 Dec 13	24 Dec 14	On going
Upon confirmation of assistance from TCM Sector Plan, IDIP advertised for Expressions of Interests in the local newspapers but no one expressed any interests. The Team further advertised with the Wilco Liebrechts Online E-consult as recommended by the Pacific Islands Forum Secretariat and received 2 Eols. An internal assessment was conducted and the successful consultant was notified in May 2015. The Division worked on the finalization of the contract in June and communications with Neesh Chand the selected consultant on the work plan targeting commencement of the project in July of the next FY 2015/16.				
The number of TCI Development Board meetings on private sector issues.	5 (2010/2011)	6	6	No meetings held
Following the passage of the Amended TCI Act 2014 and assentation by HOS in April 2014, the Division facilitated the nomination of Board representatives from Ministries & Private Sector. The nominations were submitted to Cabinet for their final endorsement in May/June 2015 targeting July/August of next FY2015/16 for commencement of meetings of the Board.				

The number of foreign investment promotion activities and tools developed (e.g. social media as FB, update video clip on website and investment mission)	New measure	New measure	2	Achieved
The current tools used are the booklets "Investment Guide (IG)" and "National Investment Policy Statement (NIPS)", Investment Pull up banners, website information and the investment video on the website which requires funding for updating. A reprint of 50 copies of the IG together with NIPS was done with the review of the IG to commence for updating of the booklet. Due to limited financial resources the Ministry is unable to use social media and video clips as a means to promote investment. The current video on the MCIL website is unable to monitor the number of 'views' or 'likes' to determine whether this method has prompted any interest in investment to the country.				
Date by which the Foreign Investment Act 2000, Amendment and Regulations 2011 Review will be completed	New Measure	New measure	31 May 15	In progress
The review of the list of reserved activities is still in progress. A TOR was developed to seek assistance under the TCM sector to carry out this review. The amendments to the fees schedule and renewal of FIC registrations every year has been endorsed by Cabinet and now with Legislative Assembly for passage in Parliament.				
Date by which the Investment Citizenship Incentive Bill will be passed by Parliament and implemented	New measure	New measure	31 Dec 14	The 1st and 2nd reading of the Bill is completed in Parliament and is awaiting the 3rd reading for passage of the Bill. The Investment by Citizenship Committee has also met with the Parliament Select Committee to discuss additional submission received from the public.
The percentage of registered Foreign Investment Enterprises that have successfully established and set up their businesses	New measure	New measure	50%	Target achieved. 50% of the registered FIEs have commenced operations.
The accuracy of the information has been derived from a list of registered business license released by the MfR as well as inspections carried out by the team. A total of 30 registered FIE's out of 63 have not commenced operations, however these are expected to be in operation before the 2 years period lapsed since they were registered. 1 FIE was found to be no longer in operation as they were only set up for the period during the SIDS conference, 5 FIEs have contracts with either the private sector (individual companies) or the public sector (Government agencies such as EPC and SWA). The rest have set up physical locations and have been sighted by the team.				

4.0: ENFORCEMENT OF FAIR TRADING & CODEX DEVELOPMENT

Output Manager: Assistant CEO, FTCD

OBJECTIVE: Enhance effective market mechanisms and growth of domestic activities and create a level playing field for all in the domestic market

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
Number of food safety standards and product safety standards to be developed and approved.	1 (2010)	2	1	The Approved Ava and Ava Product Standards Regulations 2015 await scientific tests for quality types of 'ava found in Samoa.
Percentage of complaints resolved from the total number of complaints received on all matters pertaining to the Fair Trading, Legal Metrology, Competition Policy and Law and Standards.	55% (2010)	75%	75%	46 of 49 complaints received were resolved effectively and on time in Upolu. Three cases are on-going as they are against traders located in the Manono island.
Percentage of traders complying with maximum prices of goods in General Price Orders, displaying Price Orders, marking of prices on goods for consumer information and accurately weigh pre-packaged goods	N/A	75%	75%	220 traders inspected within this FY: 80% complied with displaying and setting prices below or equal to the General Price Orders, 74% complied with marking prices on goods/shelves and 88% complied with weighing pre-packaged goods
Percentage of traders that are fully aware of all their obligations under Fair Trading and Consumer Protection legislations based on inspections conducted	15% (2010)	75%	75%	81% of traders inspected understood their duties and responsibilities under the Fair Trading and Consumer Protection legislations
Number of enquiries and complaints received and resolved by the MCIL Savaii Office on a monthly basis	N/A	30	35	197 complaints and enquiries were received. 40% of these complaints and enquiries were on functions of other Divisions of the Ministry.

Legal Metrology Bill approved by Parliament; publication of commencement of Act and its requirements within the 12 months transitional period before enforcement; staff training.	N/A	1 Jun 14	1 Jun 15	Parliament passed the Metrology Act in its March 2015 session. The Division has started with its promotion and awareness programs.
Competition Bill approved by Parliament; publication of commencement of Act and its requirements within the 12 months transitional period before enforcement; staff training.	N/A	1 Jun 14	1 Jun 15	The Bill was approved by Cabinet and is being translated by the Legislative Assembly.

5.0: ADMINISTRATION OF APPRENTICESHIP SCHEME & EMPLOYMENT SERVICES

Output Manager: Assistant CEO,
AELM

OBJECTIVE: Encourage highly skilled local workforce and their full employment

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
Number of existing Apprentices	111 (2009/2010)	150	150	152
Number of Apprentices terminated	20 (2009/2010)	10	10	5
Number of inspections for Apprentices:				
- Routine	300 (2009/2010)	350	350	329
- Follow up	300 (2009/2010)	255	260	237
- Special investigation	20 (2009/2010)	20	20	5
Number of existing Employers of Apprentices:	55 (2009/2010)	70	70	65

Number of Apprenticeship Council Meetings:	4 (2009/2010)	4	4	3
Number of trade tests and certification conducted.	4 (2009/2010)	4	4	4
Number of trade test candidates passed	20 (2009/2010)	25	25	40
Number of new apprentices entered	50 (2009/2010)	70	70	42
Number of Apprentices graduated	30 (2009/2010)	40	40	33
Number of Trade Advisory Panel meetings conducted	12 (2009/2010)	8	8	4
Number of Jobseekers:				
- Registered	121 (2009/2010)	125	130	173
- Refer	47 (2009/2010)	90	95	103
- Place	35 (2009/2010)	50	50	16
Number of vacancies lodged and advertised through:	385 (2009/2010)			
- Employment Service		40	40	17
- Samoa Observer/Media		50	50	105
Number of half yearly employment survey returns collected from employers	385 (2009/2010)	440	445	729
Number of jobseekers trained successfully to receive certificates	14 (2009/2010)	35	35	67
Industry Awareness				
- Number of Senior Schools attended	8 (2009/2010)	10	11	15
- Number of students participated	80 (2009/2010)	100	100	130
- Number of presenters	8 (2009/2010)	8	8	8
Labour Market Survey Reports	150 (2007/2010)	150	200	150

6.0: ENFORCEMENT OF LABOUR STANDARDS & ASSESSMENT OF WORK PERMITS

Output Manager: Assistant CEO,
IRWPOSH

OBJECTIVE: Enforcement of Labour and Employment relations standards to provide a fair and equitable level playing field for both workers and employers to promote compliance with its legislation and policies at the workplace

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
Number of social dialogues and workplaces trainings for workplaces for the new LER Act 2013	5 (2008/2009)	10	100	122 were conducted for both employers and employees
Number of meetings of the Samoa National Tripartite Forum facilitated by the secretariat	3 (2009/2010)	6	12	3 meetings held on 12/11/2014, 1/4/2015, and 24/4/2015
Investigations of labour relation grievances/ disputes	9 (2008/2009)	0	190	197 grievances were received and of this number: 172 were settled/closed, and 25 were carried forward to FY2015/2016
Compliance with provisions of LER Act 2013:	92 (2009/2010)	300	600	
- Number of routine inspection conducted	91 (2009/2010)	100	300	582 individual businesses were inspected and 87% was found compliant with LERA
- Number of corrective actions issues				249 corrective actions issued
Number of work permits for expatriates verified and assessed	375 (2008/2009)	470	400	491 employment permits issued with majority employed in the Non Specialized area and Domestic Work

Consultations on the following ILO Conventions:	0 (2009/2010)	4	2	
(i) Governance conventions (C81, C122, C129, & C144)			2	2 Conventions were submitted to ILO in June 2015.
(ii) OSH related conventions (C188, C187, C2006, R200)			2	(i) Equal Remuneration Convention (C100)
(iii) Conventions & Recommendations Samoa has pending submission on (C189, R198)				(ii) Discrimination (Employment and Occupation) Convention (C111)
Number of Stakeholders trainings on the Labour & Employment Relations Act 2013	0 (2009/2010)	7	7	16
Number of trainings attended by staff on International Labour Standards	N/A	7	4	2 Trainings conducted i. Labour Inspectorate ii. ILS reporting

7.0: ENFORCEMENT OF OCCUPATIONAL, SAFETY AND HEALTH STANDARDS

Output Manager: Assistant CEO,
IRWPOSH

OBJECTIVE: Strengthen national occupational safety and health (OSH) systems, extend OSH protection to SMEs and rural and informal economy workplace, improve safety & health inspection and compliance with OSH Law, promote OSH activities by employers and workers organizations

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
Number of OSH inspections to enforce compliance on safety and health legislations: (i) Govt Ministries (ii) Govt Corporations (iii) Private Sector - SMEs & Large Enterprises	300 (2009/2010)	480	500	251 routine inspections conducted for the OSH for workplaces in Government Ministries, Corporations as well as the private sector.

Number of inspections was not achieved due to staffing changes and the SIDS Conference. Further, the measure has been amended based on recommendations from Ministry of Finance to use percentage (%)				
Number of work accidents/incidents expected to be reported to the Ministry: (i) Accidents causing death (ii) Serious injury (iii) Illness	40 (2009/2010)	50	70	17 number of work accidents that were reported to the Ministry, where the OSH team were attend to and investigate and assess. Corrective actions were also issued to ensure compliance with the Safety of workers in workplaces
Number of investigations to be conducted on reported accidents	70 (2009/2010)	55	70	17 numbers of numbers of accidents reported to the Ministry as above and they were investigated and reported on them on time.
Reporting Systems are being reviewed to ensure the Occupational Safety and Health division receive reports on accidents and illnesses from the public, employers, employees and key stakeholders such as Ministry of Health and National Health Services				
Number of awareness workshops to be conducted for both employers & employees: (i) Roles of employers in promoting safety & health in the workplace (ii) what every worker should know about safety & health in the workplace	3 (2009/2010)	15	300	9 Workshops conducted for stakeholders for the FY
Targeted number of awareness workshops was not realistic given the budget and resources thus, the measure has been reviewed for Financial Year 2015-2016				
Number of Tripartite National Occupational Safety & Health Council meetings to be held	N/A	4	6	To review this, as there is suggestions for this Forum as subcommittee of the SNTF forum

New OSH Legislation, Number of training workshops: (i) Occupational Safety & Health Act & Regulation	N/A	15	100	6 Trainings on the OSH Legislation as well on the consultation for the draft Regulation.
Targeted number of workshops and trainings was not realized due to budget and resource constraints, thus the measure has been reviewed for Financial Year 2015-2016				
Date on which OSH day will be celebrated	N/A	28 Apr 2014	28 Apr 2015	Achieved
Number of cases referred for prosecution	N/A	6	10	No cases referred for prosecution during the year

8.0: MANAGEMENT OF THE REGISTRIES OF COMPANIES & INTELLECTUAL PROPERTIES

Output Manager: Assistant CEO, RCIP

OBJECTIVE: Enhance systems and procedures for registration and maintenance of different registries, ensuring full protection of rights of intellectual property creators and proprietors

	Baseline Data	2013-2014	2014-2015	FY14-15 ACHIEVEMENT
Performance Measure/Indicator	Baseline (Base Year)	Estimated Actual	Budget Standard or Target	
Number of registration each year:	(2008/2009)	180	200	153
- Companies	60	18	25	35
- Incorporated societies	10	8	10	18
- Charitable trusts	5	4	5	12
- Cooperative societies	3	3	4	0
- Credit Unions	1			

Number of registration each year:	(2008/2009)	200	250	119
- Trademarks	140	12	15	1
- Patents	4	3	5	5
- Industrial designs	2			
Number of inspections on video shops for infringement of Intellectual property	80 (2010/2011)	100	150	27
Number of inspections for legal requirements under the Legislation	(2010/2011)	650	700	457
- Companies	450	60	80	116
- Incorporated Societies	45			
Number of annual returns filed from Companies	600 (2008/2009)	900	950	479
Number of financial statements filed:	(2008/2009)	210	220	79
- Incorporated Societies	200	6	6	NIL
- Credit Unions	50			
Number of trainings and awareness programs for stakeholders & other interested parties	4 (2008/2009)	10	12	6
Number of filed:	(2008/2009)			
- Trademark applications	140	250	270	170
- Patent applications	4	10	15	NIL
- Industrial design applications	2	4	6	NIL
Number of de-registered:	2008/2009			
- Companies	20	30	32	4
- Incorporated societies dissolved	10	20	25	12

Number of trademarks renewed	80 (2008/2009)	180	200	128
Number of trademarks abandoned	101	120	150	2
Number of trademarks advertised	92	160	180	72
Date by which Personal Properties Securities Act (PPSA) is approved by Parliament	N/A	On going	On going	On going
Implementation of the National Intellectual Property Strategy	N/A	On going	On going	On going
Implementation of the new Intellectual Property Act	N/A	On going	On going	On going
Implementation of the Amended Incorporated Societies Act	N/A	On going	On going	On going
Date on which World Intellectual Property Day will be celebrated	N/A	On going	26 April 2015	26 April 2016