

5 Reasons to invest in Samoa

1. Young & emerging economy with attractive investment opportunities

4th largest economy in the Pacific, with a GDP growth projected to exceed East Asia & Pacific and world average rates for the next 2 years

2. Strategic export platform

Preferential market access to over 1.2bn people in 54 countries, with strategic maritime and air connectivity in the South Pacific region

3. Friendly and stable business environment with attractive tax incentives

Boosting a robust legal framework, Samoa ranks #1 for doing business in the Pacific, excelling in different indices such as political stability & absence of violence and rule of law

4. Competitive operational costs with a vibrant and educated labour force

One of the lowest utility tariffs, competitive salaries, and young labor force in the region, with over 60% of the population under 30 years old with 99% literacy rates

5. Committed to sustainable development and environment protection

One of the lowest CO2 emissions per capita and largest forest coverage (%) in the Pacific, exceeding East Asia & Pacific and world average rates



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- 4. Friendly business environment with solid legal framework
- 5. Competitive operational costs & labour force
- Sustainable development & environment protection

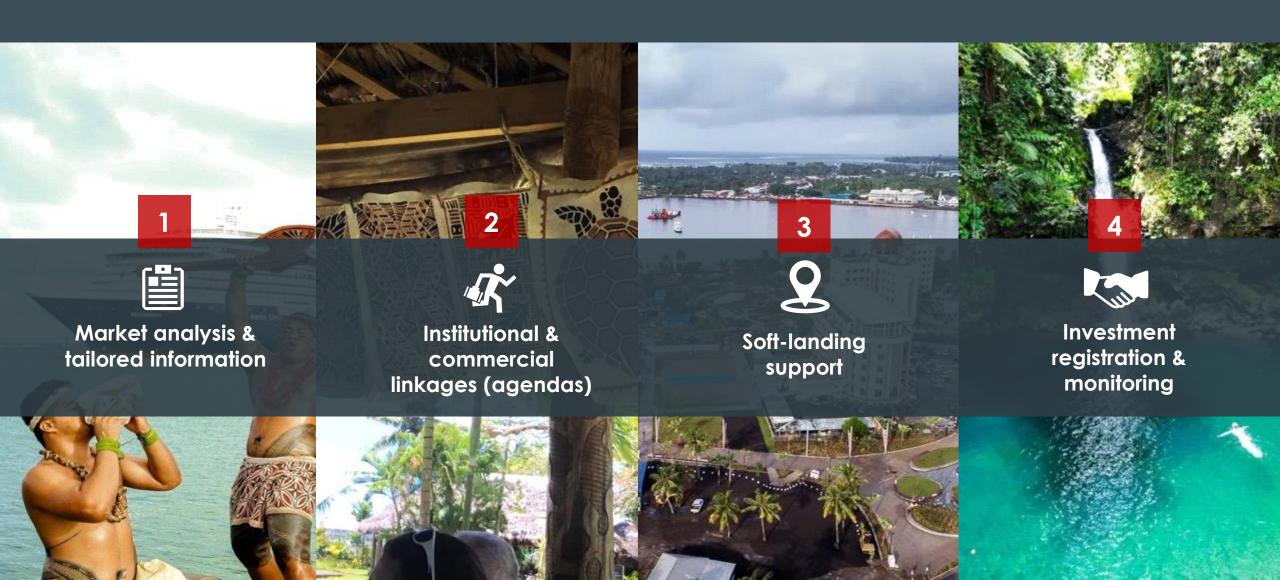


Who we are

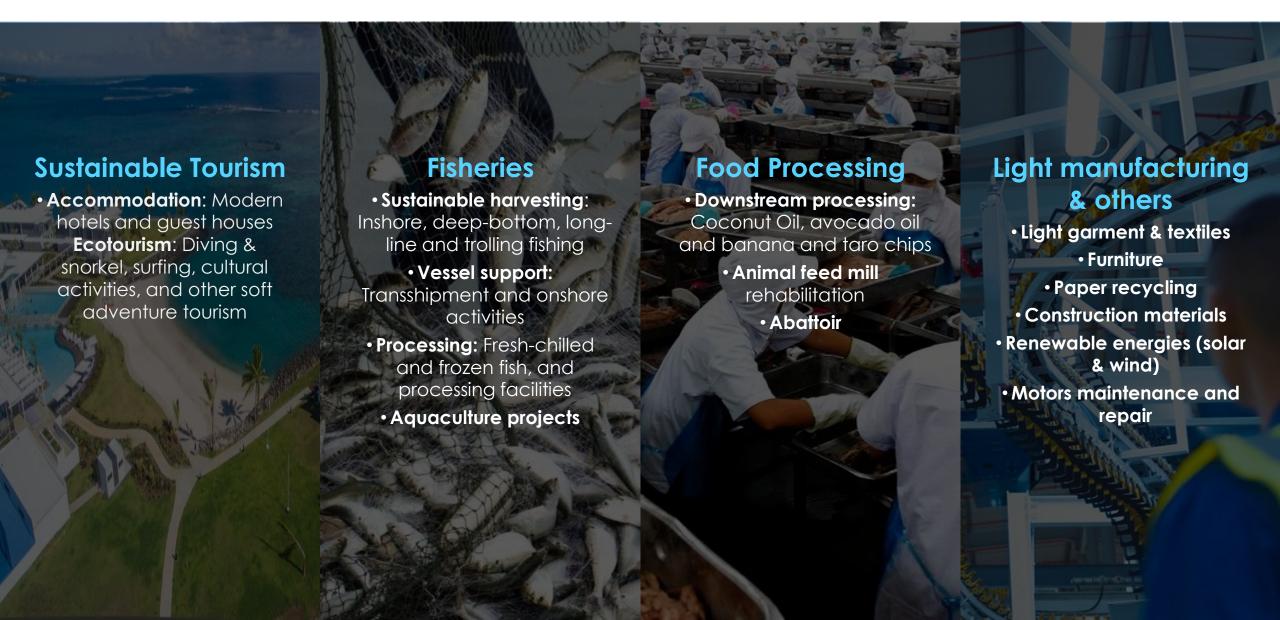


Industry Development & Investment Promotion (IDIP) Division

A Division of the Ministry of Commerce, Industry and Labour, responsible for the promotion, facilitation, registration and monitoring of foreign investments in Samoa



Priority sectors with investment opportunities



Samoa at a glance



Independent since 1962 (before administrated by British – New Zealand (1919-1962) and German colony (1889-1919)



Parliamentary representative democracy based on the Westminster system



Island state in the Pacific with 2,785Km² of territory, 403Km of coastline and 120.000Km² of exclusive economic zone water



+222K inhabitants (+63% under 30 years)



Samoan tālā as currency (US\$1 = WS\$2,7 avg.)



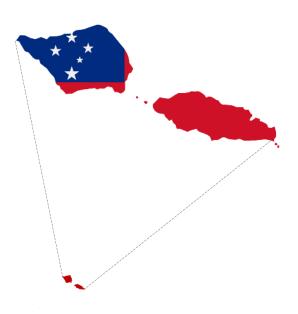
English and Samoan as official languages



Christian dominant religion



Tropical climate (hot & humid) all year. Rainy season Nov-April (susceptible to cyclone)





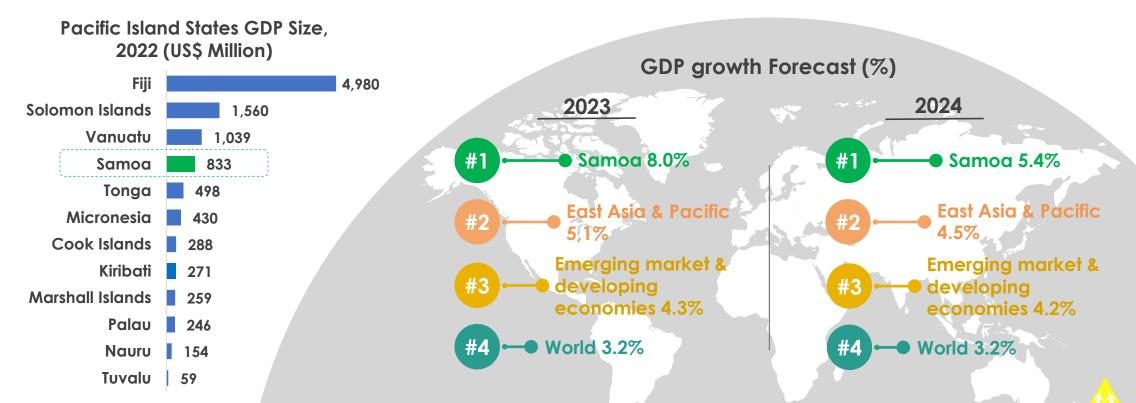


Young & emerging economy with outstanding performance

Regional leader: Samoa stands out as one of the most dynamic economies in the Pacific region

4th largest regional economy with a GDP exceeding US\$830 million

6 Impressive projected GDP growth: 8% in 2023 and 5.4% in 2024, outpacing the average for East Asia & Pacific, Emerging markets and the World rates in both years



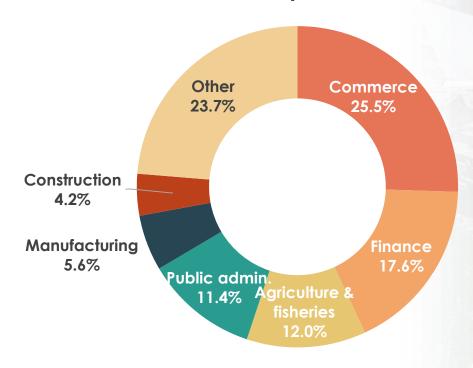


Solid and diverse economy

6 Diversified economy: Commerce, Finance and Agriculture collectively contribute to over 50% of the GDP

Service oriented economy: Services account for over 65% of the GDP

Samoa GDP by Sectors, 2023



Other: Communications (4,1%), Utilities (3,3%), Transport (3,2%), Owner occupied dwell (3,2%), Accommodation & restaurants (2,9%), Business services (2,6%) and Personal & other (6,3%)

Source: Samoa Bureau of Statistics (National Accounts Aggregates Annual Analysis 2023) (https://www.sbs.gov.ws/national-accounts/)

Emerging and dynamic economy

10.6% Inflation 2023 Lower than in 2022 (10.8%)



US\$4,064 GDP per capita 2022

Higher than Pacific Island States avg. (US\$3,912), ranking at the top of Lower Middle-Income Country*

10% Unemployment rate 2022

Lower than in 2021 (10.6%)

222K inhabitants 2022

4th largest population among Pacific Island States





*Lower Middle-Income: US\$1,086-4,255

Source: The World Bank Database (https://databank.worldbank.org/source/world-development-indicators#)

Foreign Direct Investment (FDI) in Samoa

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Dynamic growth: Despite its cyclical trend, Samoa has experienced a growth in its foreign direct investment, with an average yearly growth* of 11.3% over the last 5 years

Top investors: China, New Zealand and Australia outstand as top 3 sources of investment in Samoa, accounting over 40% of the flows

Leading recipient sectors: Professional services, Retail and Accommodation emerge as the top 3 sectors receiving FDI in Samoa, accounting for over 67% of the flows

Foreign Direct Investment in Samoa, 2016-2022 (US\$ Million) 16.7 9.2 4.4 4.8 2.5 -2.2 2016 2017 2018 2019 2020 2021 2022

¹ FIC: Number of Foreign Investment Certificates issued by the Ministry of Commerce, Industry and Labour to investors

FDI by Country (by FIC1), 2016-2023



China 23,3% (175)

USA

3.2% (24)



New Zealand 10.4% (75)



Philippines 3.1% (23)



Australia 6.9% (52)



Other 48.5% (365)

FDI by Sector (by FIC1), 2016-2023



Prof. Services 31,9% (120)



Retail² 20.2% (76)



Accommodation² 11.2% (42)



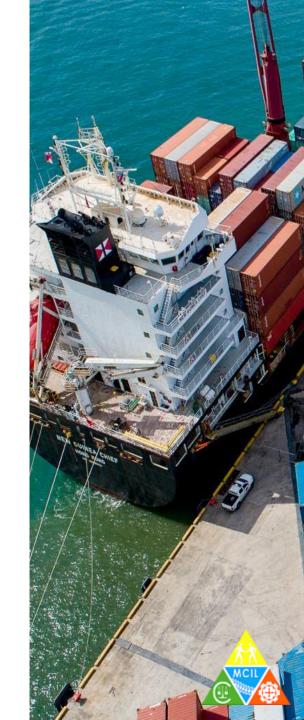
Manufacturing 7.4% (28)



Wholesaler 5.6% (21)



Others 14.1% (53)



² Retail excludes Food & drinks

³ CAGR: Compound annual growth rate Source: World Bank Data base - Ministry of Commerce, Industry and Labour

Some Successful Investment Stories



Hotel & Bungalows

Aggie Grey's Hotel Limited

6 China

6 Tourism - US\$+71M

6 High end hotel & bungalows



Taumeasina Island Resort - 2011

6 Papua New Guinea

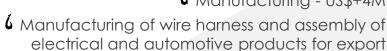
6 Tourism - US\$+40M

6 High-end resort including bar and restaurant



Fero Samoa - 2017

6 Manufacturing - US\$+4M





Lava Hotel - 20°

6 Saint Lucia

6 Tourism - US\$+13M

6 High-end hotel including bar and restaurant

HOTEL APIA



vodafone

Vodafone Samoa - 2011

6 Fiji/American Samoa

6 Telecommunication - US\$+67M

6 Television & broadcasting services and other telecommunication activities



British American Tobacco Company

(Samoa) Ltd- 2011

6 United Kingdom

6 Manufacturing – US\$+4m

6 Manufacture and distribution of tobacco products







Samoa international trade

Continuous trade growth: Despite its trade deficit, Samoa has experienced consistent growth in its international trade, with an average yearly growth* of 0.2% in exports and 5.6% in imports over the last 5 years

Top export destinations: New Zealand, American Samoa and Australia outstand as top 3 destinations for Samoa's exports, accounting over 50% of the flows

Leading import providers: New Zealand, Singapore and China emerge as the top 3 sources of Samoa's imports, accounting for over 55% of the flows

Samoa's Trade Balance of goods, 2017-2023 (US\$ Million) CAGR*: Expo 0,2% / Impo 5,6% 493.3 447.1 391.1 370.2 365.7 311.9 49.3 43.5 44.8 46.4 37.4 29.0 2018 2019 2020 2021 2022 2023 Imports Exports

Exports by destination (US\$), 2023 **New Zealand American Australia** 20.9% (\$9.3M) 12.9% (\$5.8M) Samoa 19.7% (\$8.8M) USA Tokelau Other 11.9% (\$5.3M) 10.1% (\$4.5M) 24,4% (\$10.9M) Imports by origin (US\$), 2023 China **New Zealand** Singapore 24.0% (\$118.1M) 22.9% (\$112.9M) 10% (\$49.4M) **USA** Other

8.2% (\$40.5M)

25% (\$123.4M)

9.9% (\$48.9M)

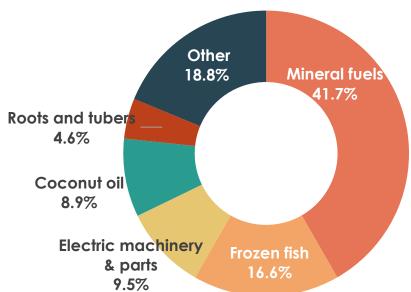
*CAGR: Compound annual growth rate Source: TradeMap – Samoa Bureau of Statistics

Main traded goods

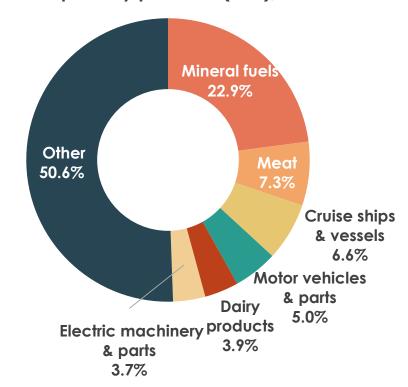
Concentrated export mix: Mineral fuels is the top exported product, accounting for 41.7% of export flows (41.7%), followed by frozen fish (16,6%) and electric machinery (9,5%). Together the top 3 products represent over two-thirds of total exports

Diverse import portfolio: Wide range of products, with mineral fuels, meat and cruise ships & vessels standout as the top 3, accounting for over 36% of the import flows





Imports by products (HS2), 2023







Samoa's connectivity by air





Excellent Connectivity by Air: Despite its remote location, Samoa offers great connectivity in the South Pacific region with 19 direct weekly flights to 5 overseas destinations



Primary International Gateway: Located 40 km west of Apia, Faleolo International Airport is the main gateway for international travelers to Samoa



Domestic Connections: Two additional domestic airports facilitate travel between the islands of Samoa (Asau and Maota airports)





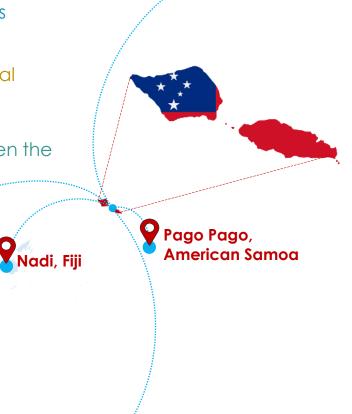












Honolulu, USA



Samoa's maritime connectivity



Strategic location: Position in the South Pacific, Samoa connect the island states with the rest of the world



Extensive shipping network: 2 international shipping companies provide services to 5 direct overseas destinations in the region



Key port infrastructure: Apia Port is a costal natural harbor featuring 7–9m cargo pier, 23m anchorage, 153m max vessel length, 2 berths, and container yard capacity for 10K units



Direct routes from Apia Port







Suva, Fiji

Nuku'alofa, Rarotonga, Cook Islands





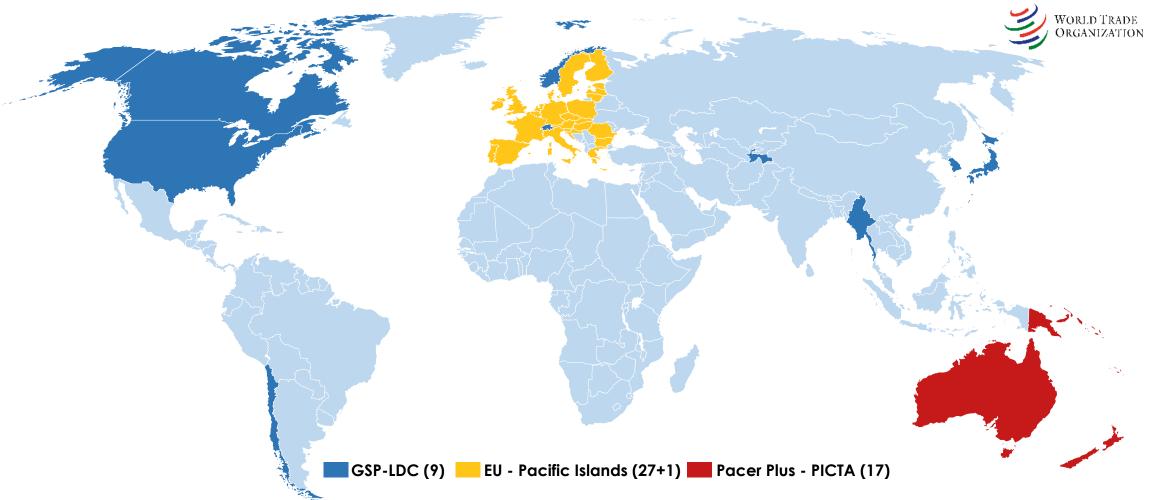
Pago Pago, American Samoa

Papeete, French **Polynesia**



Export platform to 5 continents

Preferential market access to +1.2bn people in 54 countries



Generalized System of Preferences (GSP) and Least Developed Countries (LDC): 9 countries grant duty-free and quota-free market access for exports (Chile, Canada, Japan, Korea, Norway, Switzerland, Tajikistan, Thailand and USA). World Trade Organization WTO member since 2012.

EU – Pacific Islands: European Union 27 countries + UK, grant duty-free and quota-free market access for exports to Pacific Islands (interim Economic Partnership Agreement).

Pacer Plus – PICTA: Plurilateral free trade agreement between 14 Pacific island countries (Australia, Cook Islands, Fiji, Kiribati, New Zealand, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papuari New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu.

Source: MacMap.org





Best place for doing business

Lop business destination: Samoa ranks as the best place for doing business in Pacific Region (Doing Business index 2020)

Global business climate ranking: Samoa ranks #98 out of 212 countries* worldwide for its business climate
Ease of starting a business: Samoa outstands among East Asia & Pacific countries, ranking #6 regionally
(among 20) and #46 globally for ease of starting a business







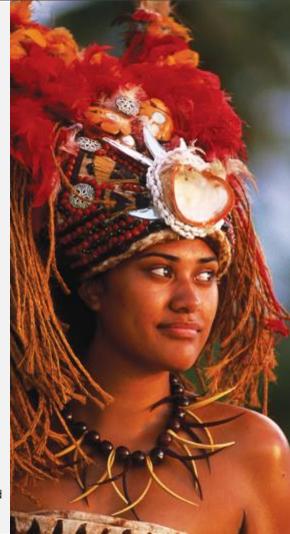


Government committed with an efficient business climate

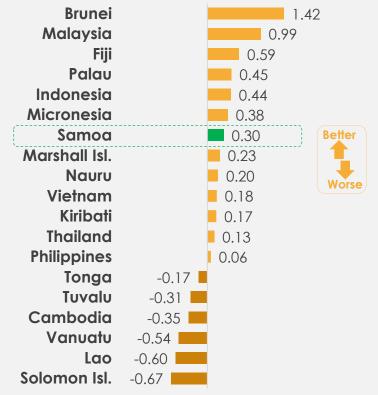
6 Samoa stands out as one of the best countries in Southeast Asia & Pacific* for its effective business climates **High ranking in governance:** Samoa ranks 5th in Control of Corruption and 7th in Government Effectiveness among 20 countries in Southeast Asia & Pacific*







Government Effectiveness Index in Southeast Asia & Pacific*, 2022 (Score)



Government Effectiveness: Perceptions of the quality of public & civil services & the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.

Source: The World Bank Database

Peaceful and stable country

Samoa stands out as one of the **most peaceful and stable economies** in Southeast Asia & Pacific*

High ranking in governance: Samoa ranks 2nd in Rule of Law (overpassing Australia "0.93") and 7th in Political Stability & Absence of Violence among 20 countries in the region

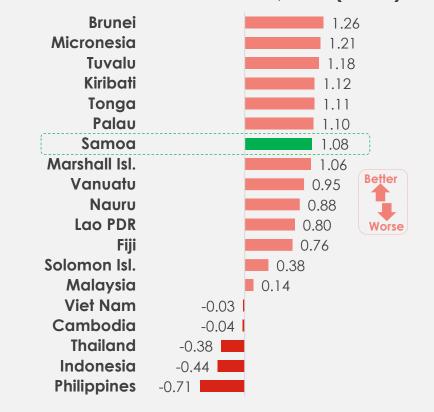
Rule of Law Index in Southeast Asia & Pacific*, 2022 (Score)



*Excluding high income economies (Australia, New Zealand & Singapore) **Rule of Law:** Perceptions of the extent to which agents have confidence in and abide by the rules of society, the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence



Political Stability & Absence of Violence Index in Southeast Asia & Pacific*, 2021 (Score)



Political Stability and Absence of Violence/Terrorism: Perceptions of the likelihood of political instability and/or politically-motivated violence, including terrorism. Source: The World Bank Database

Solid and robust legal framework for investors

Investment Legislation

6 Foreign Investment Act 2000

6 Samoa National Investment Policy Statement 2024 (NIPS)

6 Investment Promotion Policy 2023

6 Constitutional investment guarantee Article 14: "Rights regarding property" apply to all foreign investment

International investment agreements

6 ACP - EU Samoa Agreement (2023)3

6 PACER Plus (2017)⁴

6 Cotonou Agreement (2000)

6 SPARTECA (1980)

6 Dispute resolutions⁵: Convention Settlement of Investment Disputes and Washington Intl. Centre for Settlement of Investment Disputes (1978)

¹ Subject to central bank approval

- ² Except for public purpose and on non-discriminatory basis, and subject to compensation.
- ³ ACP EU Samoa Agreement: African, Caribbean and Pacific Group of States (77 states) European Union (28 states). It includes same states from Cotonou Agreement
- ⁴ Pacer Plus: Pacific Agreement on Closer Economic Relations Plus (14 states). It includes same states from SPARTECA
- ⁵ Domestic legislation: Arbitration Act 1976, Alternative Dispute Resolution Act of 2007, and Labour and Employment Relations Act 2013

Some Investment Principles & Rights

- 6 Non-discrimination between local & foreigners
- 6 Freedom to invest and manage own business
- 6 Freedom to repatriate profits and capital
- 6 Access to freely convertible currency
- Freedom to repay principal and pay interest on foreign loans
- 6 Protection from expropriation or similar²
- **6** Provide effective investment facilitation and aftercare
- 6 Transparency and good regulatory practices
- 6 Facilitate entry and sojourn of personnel

Source: National Investment Policy Statement 2024 - Samoa Investment Guide - https://investmentpolicy.unctad.org/country-navigator/186/samoa - https://www.state.gov/reports/2023-investment-climate-statements/samoa/

Steps to set up a foreign investment in Samoa

Step 1: Ministry of Commerce, Industry and Labour (MCIL)

- 6 Company Registration (Online application¹)
- 6 Foreign Investment Registration-Certificate (renewed annually)

Step 3: Ministry of the Prime Minister and Cabinet - Immigration Office

Foreign Employee Employment Permits (the assessment is done by MCIL)



Step 2: Ministry of Customs and Revenue (MCR)

6 Business License

Step 4: Other sectoral permits

- 6 Development Consent: Activity affecting land (Planning and Urban Management Agency)
- **6 Building Permit:** Ministry of Works, Transport and Infrastructure
- Land²: Leased up to 30 + 30 years renewal. It varies by economic activity and type of land (Customary land, Government land, & Freehold land)

¹ www.businessregistries.gov.ws

² About 80% of all land is customary land (owned by villages & cannot be mortgaged), with the reminder either freehold or government owned. Only Samoan citizens may buy freehold land For detailed information review Samoa Investment Guide (https://www.mcil.gov.ws/wp-content/uploads/2024/05/SIG-2024-1.pdf) - Ministry of Commerce, Industry and Labour

Restrained activities for foreign investors

Reserved List (Samoan Citizens)

6 Bus transport services for the general public

6 Taxi transport services for the general public

6 Rental Vehicles

6 Retailing of food and drink items

6 Saw Milling

6 Traditional elei garment designing and printing

Prohibited List¹

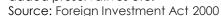
6 Nuclear and toxic waste disposal or storage 6 Export of products that are prohibited under any law 6 Prostitution

Processing and export of endangered speciesProduction of weapons of warfare

Restricted List of Activities

- Commercial fishing vessels (max 40% equity foreign investor)
- 6 Manufacturing of Nonu and unrefined coconut virgin oil² (joint venture with local partner)
- 6 Architectural services (joint venture with local partner)
- 6 Professional engineering and general construction services (only through incorporation in Samoa)
- **6** Sewage services, Refuse disposal, Sanitation and similar services (joint venture with local partner)

² Nonu known scientifically as Morinda citrifolia, is a tropical fruit processed as juice for many folk remedy uses). Coconut virgin oil must be unrefined without fragrance and other added preservatives etc.





¹ Business License Act 1998

Attractive tax incentives for foreign and domestic investors

- **6** Sectors: Tourism, Manufacturing, Agriculture, Fisheries and Aviation
- 6 Up to 3 years exemption of import customs duty
- 6 Goods: Building materials, machineries, furniture and fittings, raw materials, approved aircrafts and parts

- **6** Sector: Domestic businesses in the fisheries Industry
- 6 Import duty Reduction to 5%
- 6 Goods: Parts and equipment used for fishing boats and fishing supplies and equipment



- 6 Sectors: Domestic businesses in poultry farming, agricultural farming, handicraft manufacturing and "elei" garment manufacturing
- 6 Reduction of import duty from 8 to 0%
- 6 Imported raw materials, tools and equipment

³ Implemented by the Fisheries Division, Ministry of Agriculture & Fisheries

¹ Approved for projects acknowledged as "Qualifying Project". Implemented by the Ministry of Commerce, Industry and Labour under the Customs Amendment Act 2007, Customs (Development Projects) Regulations 2010 and Customs (Aviation Transport Development) Regulations 2012,

² Implemented by the Ministry of Commerce, Industry and Labour under the Customs Tariff Amendment Act 2008. The type of imported products may vary according to the economic activity

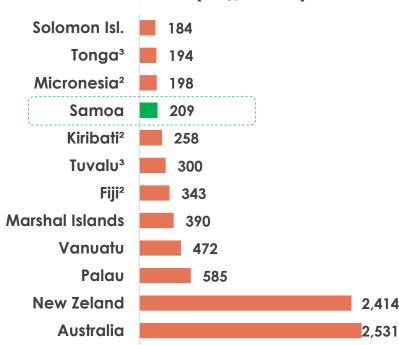


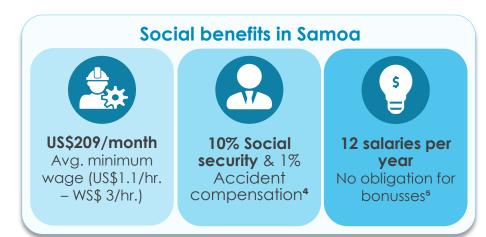


Competitive salaries in the Pacific region

4th most competitive salary among the Pacific states with a monthly minimum wage of US\$209
Friendly and business-oriented labour regime, fostering the creation of new employment

Monthly Minimum Wage in the Pacific, 2024 (US\$/Month)¹





Note: Values only for reference. These may change according to exchange rate fluctuations. Salaries do not include mandatory social benefits.

1 Average monthly salary corresponds to 195 hrs./month avg. (9 hours per day x 5 days per week x 4.33 weeks per month – exceptions may apply)

² Minimum wages are set according to province, industry and skill level. In this case an average is taken.

³ There is no statutory minimum wage. Lowest average salary is used in stead.

⁵ Working hours: Max 8hrs per day and max 40hrs per week (Employer of Record Samoa-EOR). Overtime: 150% rate (starting at +40hrs per week). Annual leave: 10 paid days (plus 10 more for sickness). For more info review Labour and Employment Relations Act 2013 (LERA)

Source: https://wageindicator.org/salary/minimum-wage/minimum-wages-per-country - https://www.salaryexplorer.com/#browsesalaries - https://www.rivermate.com/quides



^{4 20%} of which 10% is for the employer and 10% for the employee. **Accident compensation levy** varies according to sectoral risk. No obligation for **Health insurance** (Public Healthcare System).

Competitive electricity prices in the Pacific

6 Samoa offers competitive electricity prices at an average of US\$0.29 per kWh, lower than regional average of US\$ 0.32 per kWh

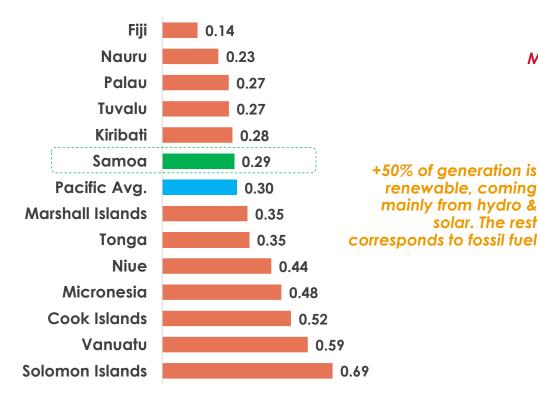
+50% of generation is

renewable, coming

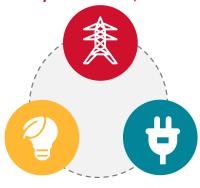
mainly from hydro &

solar. The rest

Average Electricity Price in the Pacific, 2021 (US\$ per kWh)



Cheapest: US\$0.238 kWh Most expensive: US\$0.292 kWh



99% of the population has electricity access, overpassing Pacific region avg. 86%

Note: Oceania is the most expensive region in the world, averaging USD 0.303 KW/h Source: https://www.cable.co.uk/energy/worldwide-pricing/ - IRENA (International Renewable Energy Agency)



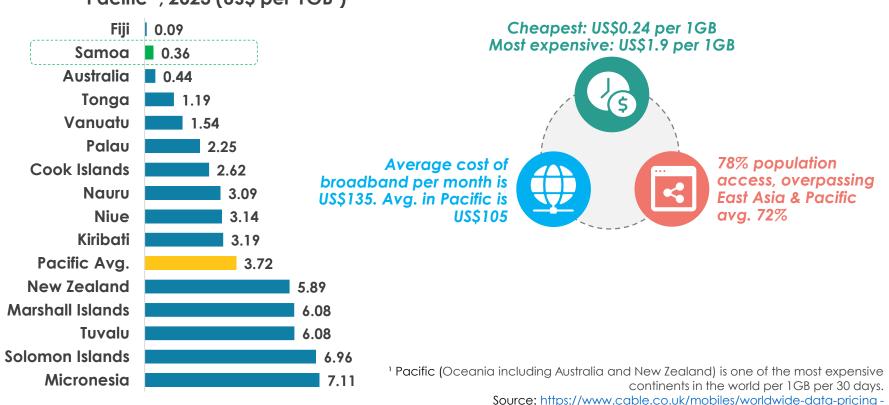
Competitive mobile data in the Pacific

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2nd most competitive mobile data prices among the Pacific states averaging US\$0.36 per 1GB, lower than the regional avg. of US\$ 3.72, Australia (US\$0.44) and New Zealand (US\$5.89)

Excellent connectivity: 2nd best connected country among Pacific islands, after Fiji, with 3 submarine cables providing high-speed and reliable internet

Average Mobile data Price in the Pacific¹, 2023 (US\$ per 1GB²)



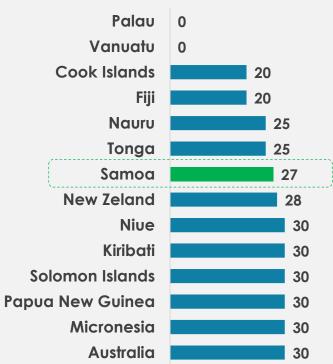


ource: https://www.cable.co.uk/mobiles/worldwide-data-pricing - https://www.submarinecablemap.com/

Competitive tax regime among Pacific* island states

- 6 Competitive corporate tax rate of 27%, lower than many other Pacific states including Australia (30%), and New Zealand (27%)
- 6 Standard Sales Tax Rate of 15%, comparable to other Pacific states such as New Zealand, Vanuatu, or Tonga

Corporate Income Tax Rate in the Pacific, 2023 (%)

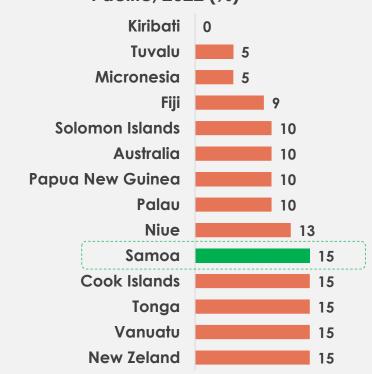


Note1: Rates only for reference. They may vary according to company's sector, revenue, size, new legislation, etc.

Note2: Sole Trader/Individual income tax from 0-27%; Withholding tax 15%; Capital gains 27% on profits from assets sold within 3 years. Fore detailed information review Income Tax Administration Act 2012



Sales Tax (VAT) Rate in the Pacific, 2022 (%)



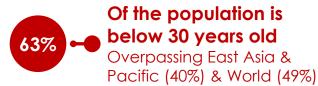
^{*} Includes Australia and New Zealand Source: Source: Tax Foundation

(https://taxfoundation.org/data/all/global/corporate-tax-rates-by-country-2023/) -Trading Economy (https://tradingeconomics.com/country-list/social-security-rate-for-companies?continent=Australia) - Rivermate (https://www.rivermate.com/guides)

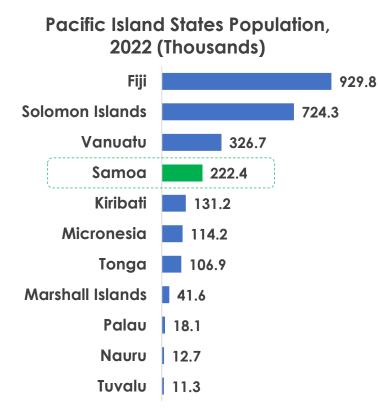
Young and vibrant labour market

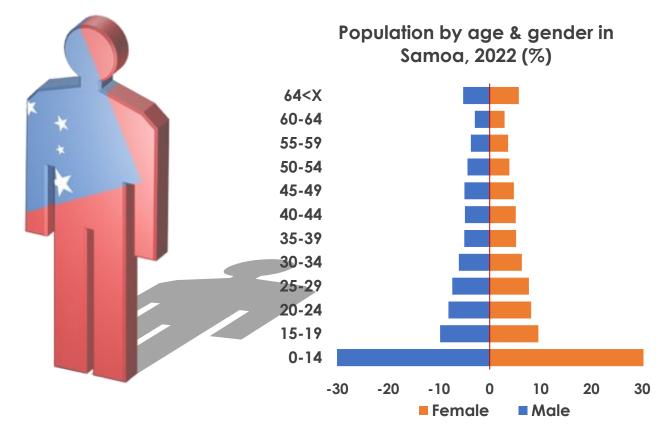














Educated and energized population

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High literacy rate: 99.1% literacy rate, larger than East Asia & Pacific average of 96% and World average of 86.8% (2021)



Significant education investment: Samoa's government ← expenditure on education is 4.5% of GDP, exceeding the World average of 4.4% and East Asia & Pacific average of 3,6% (2020)



■■ 17.5% of the population enrollment in higher education (2021)



→ 3 institutions lead higher education in Samoa







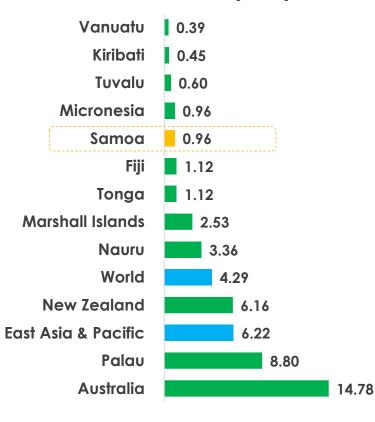






Committed with the environmental protection

CO2 emissions per capita in the Pacific*, 2020 (tons³)





One of the lowest CO2 emissions per capita in the Pacific* region with 0,96tons³, lower than the World (4.29tons³) and East Asia & Pacific (6.25tons³)



58% of Samoa's territory is cover by forest, overpassing the World average (31%) and East Asia & Pacific average (27%) (2021)



Samoa outperformed Asia-Pacific region in the **Environmental Performance Index**, scoring 36.4 compared to regional average 35.1 (2022)

