

**EN**

**The Independent State of Samoa - European Union**

**National Indicative Programme  
for the period 2014-2020**

## GENERAL CLAUSES

The Government of Samoa and the European Commission hereby agree as follows:

- (1) The Government of Samoa and the European Commission, hereinafter referred to as "the Parties", determined the general orientations for cooperation for the period 2014-2020.  
These orientations which are included in the National Indicative Programme concern the European Union Aid in favour of Samoa and were drawn up in accordance with the provisions of Articles 2 and 4 of Annex IV to the ACP-EC Partnership Agreement, signed in Cotonou on 23 June 2000, revised and signed in Luxemburg on 25 June 2005 and revised and signed in Ouagadougou on 22 June 2010.  
The National Indicative Programme is annexed to the present document.
- (2) As regards the indicative programmable financial resources which the European Union envisages to make available to Samoa for the period 2014-2020, an amount of EUR 20 million is foreseen for the allocation referred to in Article 3.2 (a) of Annex IV of the ACP-EC Partnership Agreement (A-allocation). A B-allocation referred to in Article 3.2 (b) can be established to cover unforeseen needs. This allocation is at EUR 0 until a need arises. These allocations are not entitlements and may be revised by the Commission, following the mid-term and end-of-term reviews, in accordance with Article 5.7 of annex IV of the ACP-EC Partnership Agreement.
- (3) The A-allocation is destined to cover macroeconomic support, sectoral policies, programmes and projects. The National Indicative Programme concerns the resources of the A-allocation. It also takes into consideration financing from which Samoa benefits or could benefit under other European Union resources. It does not pre-empt financing decisions by the Commission.
- (4) The B-allocation is destined to cover unforeseen needs such as humanitarian, emergency and post emergency assistance, where such support cannot be financed from the EU budget, contributions to internationally agreed debt relief initiatives and support to mitigate exogenous shocks. The B-allocation shall be established according to specific mechanisms and procedures and does therefore not constitute a part of the programming.
- (5) Pending the entry into force of the Internal Agreement between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union Aid under the multiannual financial framework for the period 2014 to 2020, financing decisions for projects and programmes can be taken by the Commission at the request of the Government of Samoa within the limits of the A- and B-allocations referred to in this document under the condition that sufficient financial resources are available in the transitional measures ("Bridging Facility") composed of uncommitted balances from the previous EDFs and from funds decommitted from projects or programmes under those EDFs. The respective projects and programmes shall be implemented according to the rules and procedures of the 10<sup>th</sup> EDF until the entry into force of the 11<sup>th</sup> EDF implementing rules and financial regulation.
- (6) The European Investment Bank may contribute to the implementation of the present National Indicative Programme by operations financed from the Investment Facility

and/or from its own resources, in accordance with Articles 2c and 3 of the 11<sup>th</sup> EDF multi-annual financial framework for the period 2014-2020.

- (7) In accordance with Article 5 of Annex IV to the ACP-EC Partnership Agreement, the National Indicative Programme as well as the A-and B-allocations can be revised following the mid-term review and the end-of-term review or ad hoc reviews.

Signatures

For the Government of Samoa

For the European Commission

NATIONAL INDICATIVE PROGRAMME 2014-2020

THE INDEPENDENT STATE OF SAMOA

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### **List of principal acronyms and abbreviations**

ACP	African, Caribbean and Pacific Countries
ADB	Asia Development Bank
CBD	Central Business District.
CSO	Civil Society Organisation
DWSP	Drinking Water Safety Plan
EDF	European Development Fund
EIB	European Investment Bank
EU/EUD	European Union / European Union Delegation
GDP	Gross Domestic Product
HDI	Human Development Index
JICA	Japan International Cooperation Agency
LTA	Land Transport Authority
MDG	Millennium Development Goals
MNRE	Ministry of Natural Resources & the Environment
MWTI	Ministry of Works Transport & Industry
NAO	National Authorising Officer
NRW	Non-Revenue Water
NZMFAT	New Zealand Ministry of Foreign Affairs and Trade
PEFA	Public Expenditure and Financial Assessment
PFM	Public Financial Management
SDS	Strategy for the Development of Samoa
SWA	Samoan Water Authority
TCF	Technical Cooperation Facility
VIP	Ventilated Improved Pit
WTP	Water Treatment Plants
WST	Samoan Tala (national currency)

## Summary of Samoa EDF11 NIP

Samoa consists principally of two large volcanic islands and 6 smaller ones (only two of which are inhabited). It has a land area of 2935 km<sup>2</sup>, an Exclusive Economic Zone of 120 000 km<sup>2</sup> and a population of 188 900 (2012). Samoa became independent from New Zealand in 1962. It is a parliamentary democracy with a ceremonial Head of State and a Prime Minister. Samoa joined the Commonwealth in 1970 and the UN in 1976. The country is prone to natural disasters with cyclones, earthquakes and tsunamis and is particularly vulnerable to Climate Change.

Samoa graduated from least developed country (LDC) to lower middle income country (LMIC) on 1 January 2014 (2012 GDP per capita EUR 3 727). The economy is based on services (28.2% share of GDP), remittances (around 20%), and grants (10%). Subsistence agriculture provides a livelihood for over 60% of the population, with agriculture (7% GDP) furnishing 90% of the country's exports. Its main trading partners are New Zealand, Singapore, China, Fiji, American Samoa and Australia. Although the current macroeconomic and fiscal situation is a cause for concern, the medium term outlook is positive provided authorities maintain their will to implement necessary reforms.

EU support is aligned to Samoa's national development plan "Strategy for the Development of Samoa" focusing on "Improved Quality of Life for All", notably through improving public health services, increased growth and boosting productivity for sustainable development. The strategy is the result of extensive consultation including civil society, the private sector and development partners; it is a document strongly owed by Samoan society and into which individual sector plans feed, including "Water for Life 2012-2016".

Supply of quality water is a fundamental aspect in the battle to alleviate poverty. It reduces cases of water borne diseases such as diarrhoea and improves general living standards, especially for the most vulnerable in society. The majority of the population now have access to water, but most of the reticulated water supply systems are untreated, with typhoid remaining an endemic disease in Samoa. It is likely that past EU interventions, especially in the water & sanitation sector, have had a considerable positive impact on life expectancy as well as improving Samoa's Human Development Index (HDI) value. Under 11<sup>th</sup>EDF, the EU will maintain its focus on public health with specific reference to the Water and Sanitation sector. EU support will also include protection of critical watershed areas. These areas not only help to ensure the sustainable supply of fresh water but also provide an environmental "buffer" to anthropogenic induced climate change.

Beyond public health, the EU will build on its earlier interventions supporting the emergence of an organised local civil society able to act as a watchdog and partner in dialogue with the Samoan Government. In a Small Island State with a long serving government, civil society plays a vital role in ensuring that the checks and balances of a healthy democracy are maintained. Specific attention will be paid to gender issues, violence and discrimination against women. A Technical Cooperation Facility will help to facilitate the implementation of the EU development programme with a particular focus in areas related to public finance management, economic development and accountability.

The 11<sup>th</sup> EDF indicative allocation to Samoa will decrease from EUR 30 million under 10<sup>th</sup> EDF to EUR 20 million in programmable funds, subdivided as follows:

Water Sanitation and Hygiene	EUR	17 200 000	(86% of total)
Measures in favour of civil society and Support measures	EUR	2 000 000	(10% of total)
Technical Cooperation Facility	EUR	800 000	(4% of total)

The overall objective is to enhance environmental sustainability and resilience to climate change and natural disasters and to contribute to the transition to a green economy in order to ensure inclusive and sustainable growth for human development. This is to be achieved by supporting the implementation of the "Water for Life 2012-2016" strategic plan, and its specific objective to supply "Reliable, clean, affordable water and basic sanitation with the framework of Integrated Water Resources Management, for all people in Samoa to sustain health improvements and alleviate poverty". This supports the national goal as stated in the "Strategy for the Development of Samoa 2012-2016" which is "For every Samoan to achieve a better quality of life".

The choice of sector for the new programming document 2014-2020 has been jointly refined and agreed upon with national authorities of Samoa in keeping with the spirit of ownership and partnership that governs EU- Africa, Caribbean and Pacific (ACP) cooperation efforts in the Pacific.

In addition, the NIP may be complemented by operations financed under the EDF Regional Programme and the Investment Facility for the Pacific, and by the European Investment Bank (EIB) from the Cotonou Investment Facility and/or from its own resources.

# National Indicative Programme for the Independent State of Samoa.

## 1. The overall lines for EU Response

### 1.1. Strategic objectives of the EU's relationship with the partner country

The European Union (EU) and Samoa have a long standing tradition of co-operation and partnership dating back to the mid-1970s. It is currently guided by the latest revision of the *ACP-EU Partnership Agreement*, signed in Cotonou in 2000 and updated in Ouagadougou in June 2010.

The *ACP-EU Partnership Agreement* will remain in force until 2020 and is centred on the objective of reducing, and eventually eradicating, poverty through sustainable development and gradual integration of ACP countries into the world economy.

Cooperation with Samoa shall therefore continue to pursue these objectives in keeping with the fundamental principles of the Agreement such as human rights, democratic principles, the rule of law, good governance, conflict prevention and resolution etc.

While a strong ownership of the country development strategy and the alignment of EU aid with this strategy will remain essential elements, the EU development approach set out in 2011 "EU agenda for change" and in the 2012 EU Communication "*Towards a renewed EU-Pacific development partnership*" will also be reflected. As a result, efforts will be made toward developing a more targeted delivery of aid to ensure maximum poverty reduction and increased assistance will be provided to address climate change challenges. EU-Samoa partnership goes beyond aid delivery, promoting common values and interests on the global scene through political and policy dialogue. This should facilitate a more general convergence of views on global issues debated in international fora.

Samoa graduated to a Middle Income Country on the 1<sup>st</sup> of January 2014. It has a population of approximately 190,000 people with a nominal GDP per capital of USD3,800. Tourism, as well as remittances, is a major contributor to the economy. The principle of alignment of the EU development strategy with Samoa's development strategy will guide the EU 11<sup>th</sup> EDF programming and implementation. The Government of Samoa has its own "Strategy for the Development of Samoa (SDS) 2012 -2016" which consolidates the considerable progress achieved in the country in recent years, despite external shocks such as the devastating Tsunami of September 2009, December 2012 Cyclone Evan and the Global Financial Crises. The document focuses on "Improved Quality of Life for All" notably through improving public health services, through growth and boosting productivity for sustainable development. The SDS is a credible development plan providing the bases for the programming of the EU's development assistance. It was developed through a process of extensive consultation including Civil Society, the Private Sector and Development Partners; it is a document that is strongly owned by Samoan society and into which individual sector plans feed.

Against this background, the EU cooperation strategy with Samoa will be guided by the existing "Strategy for the Development of Samoa 2012 to 2016" & the "Water for Life 2012 to 2016" sector plan and their revisions as from 2016.

The EU response and National Indicative Programme may be complemented by operations financed by the EIB from the Cotonou Investment Facility and/or its Own Resources.

### 1.2. Choice of sector: Water and Sanitation

Building upon the interventions of the 9<sup>th</sup> EDF and ensuring sustainability of EU effort, the 10<sup>th</sup> EDF programme has had a significant impact on the Water & Sanitation Sector resulting in institutional reforms, including the change of the Board of Directors of the Samoan Water Authority to better reflect private sector principles, administrative changes (e.g. the creation of the Water Sector Coordination Unit) and implementation review (e.g. a better focus on reducing Non-Revenue Water,



improving Collection Efficiency and improving Water Quality). In addition to the above the sector has significantly “matured” resulting in its actors taking responsibility for the sector’s Strategy, Plan of Action and Key Performance Indicators. The various Implementing Agencies have to report against those indicators at the Annual Water & Sanitation Review which includes all stakeholders, including development partners.

The governance of the sector has improved tremendously over the last years thus allowing the EU to switch to a programme based approach in the Water and Sanitation Sector, with a Budget Support programme being implemented as from 2010. The proposed response strategy under the 11<sup>th</sup> EDF recognises that the Water & Sanitation sector is at a critical stage and that by remaining focussed on this sector it is consolidating the gains that have been made under the previous programmes. Thanks to its past engagement, the EU has a comparative advantage in ensuring that sector development translates into tangible social and economic benefits, assists in alleviating poverty and supports sustainable development including the protection of critical watershed areas. These areas not only help to ensure the sustainable supply of fresh water but also provide an environmental "buffer" to anthropogenic induced climate change. The 2012-2016 Water for Life sector strategy includes a brief section on Climate Change, with climate change issues being presented at the 2012 Annual Water Sector Review. As Samoa is made up of a group of small islands with correspondingly small catchment areas it is particularly vulnerable to climate change. In June 2011 Samoa was badly affected by a severe drought causing considerable hardship in the badly affected areas and then Cyclone Evan struck in December 2012. Climate Change issues are understandably high on the sector, national and regional agendas.

The supply of quality water is a fundamental aspect in the battle to alleviate poverty. This is due to the fact that it has a multifunctional role, be it by reducing cases of water borne diseases such as diarrhoea or improving general living standards, especially for the most vulnerable in society, who are usually those living in areas with a lack of access to service delivery and thus greatest demand. In Samoa the vast majority of the population now have access to water, however most of the reticulated water supply systems are untreated, with typhoid remaining an endemic disease in Samoa. Life expectancy at birth has increased from 59.9 in 1980 to 72.4 in 2011, with the median for East Asia and the Pacific being 69.7. It is likely that past EU interventions, especially in the Water & Sanitation Sector, have had a considerable positive impact on Life Expectancy as well as improving Samoa's HDI value.

In view of the above and in light of global development effectiveness outcomes and recommendation, the 11<sup>th</sup> EDF will maintain its focus on the Water and Sanitation sector. At the same time the 11<sup>th</sup> EDF should favour budget support as the most effective aid modality, provided eligibility criteria are met. Against this background, a **Water and Sanitation Budget Support Programme** would allow the government to ensure the long-term sustainability of earlier interventions. Complementing the activities of other Development Partners in Samoa, such an initiative would reduce transaction costs for the Government and continue to strengthen the governance of the sector, its management and operational capacity.

Beyond Water & Sanitation, the EUs efforts will continue with a particular emphasis on support to civil society to enhance participation of Non State Actors in policy dialogue, in the monitoring of national programmes, economic reforms and public finance management. Building on earlier interventions, the 11<sup>th</sup> EDF will continue its **support to the emergence of an organised local civil society** able to act as a watchdog and partner in dialogue with the Samoan Government. While the Government of Samoa actively seeks involvement of Civil Society in the formulation of its policies and strategies, the capacity of non-state actors needs to be further built in order to effectively engage as well as hold the Government accountable for its actions. In a Small Island State with a long serving government, Civil Society plays a vital role in ensuring that the checks and balances of a healthy democracy are maintained. Increased support to civil society to enhance participation of Non State Actors in policy dialogue, in the monitoring of national programmes, economic reforms and public finance management will complement government capacity building efforts and ensure transparency and accountability of government operations. Specific attention will also be paid to gender issues,

violence and discrimination against women particularly where EU investment in these cross cutting issues complement what other development partners are doing.

In addition to giving support directly to Civil Society the Technical Cooperation Facility will help to facilitate the implementation of the overall EU development programme in Samoa with a particular focus in areas related to public finance management, economic development and accountability.

Samoa has been implementing a comprehensive Public Finance Management (PFM) Reform Plan since the end of 2008, with an annual review process involving development partners' civil society and private sector and PEFA assessments every 3 years. The Samoan governments initial PFM Reform Plan was updated in February 2011 and is similar in scope to its predecessor in that it addresses most of the PFM weaknesses in previous PEFA assessments. In February 2013, the EU annual PFM monitoring report, under the Sector Policy Support Programme of the 10<sup>th</sup> EDF, concluded that "reasonable progress" has been made in improving PFM performance. Despite the overall positive progress several areas are facing challenges (e.g. tax revenues, procurement and internal audits). Due to the importance of PFM as an eligibility criterion for budget support, targeted intervention through a **Technical Cooperation Facility** is proposed in parallel to a sector reform contract in the focal area of EU assistance.

The overall goal of these actions shall be to facilitate improvements in good governance practices.

Choice of a sector for the new programming document 2014-2020 has been jointly refined and agreed upon with national authorities of Samoa in keeping with the spirit of ownership and partnership that govern EU-ACP cooperation efforts in the Pacific.

## 2. Financial overview (indicative amounts)

<i>Water &amp; Sanitation</i>	<i>EUR 17.2 million</i>	<i>86%</i>
Measures in favour of civil society	<i>EUR 2 million</i>	<i>10%</i>
<i>Support Measures</i>	<i>EUR 0.8 million</i>	<i>4%</i>
<b><i>Grand Total</i></b>	<b><i>EUR 20 million</i></b>	<b><i>100%</i></b>

## 3. EU support per Sector

### 3.1 Water & Sanitation sector (indicative amount EUR 17.2 million)

3.1.1 The following overall and specific **objectives** will be pursued:

The **Overall Objective** is to enhance environmental sustainability and resilience to climate change and natural disasters and to contribute to the transition to a green economy in order to ensure inclusive and sustainable growth for human development. This is to be achieved by supporting the implementation of the Water for Life 2012 to 2016 strategic plan. This plan has as its specific objective the supply of "*Reliable, clean, affordable water and basic sanitation with the framework of Integrated Water Resources Management, for all people in Samoa to sustain health improvements and alleviate poverty*". This supports the national goal as stated in the Strategy for the Development of Samoa 2012-2016 which is "*For every Samoan to achieve a better quality of life*".

The Water for Life 2012 – 2016 has a prioritised four year programme based on the following **Specific Objectives**:

1. To strengthen the sector's governance framework to guide and sustain sector developments;
2. To improve watershed management and reliability of water resource data through integrated water resource management.
3. To increase access and improve provision of reliable, clean, and affordable water supplies;
4. To improve the surveillance of drinking water quality and water borne diseases;
5. To increase access to basic sanitation, improved wastewater systems and improved hygiene practice;
6. To strengthen effectiveness of flood mitigation measures to reduce incidence and magnitude of flooding in the Apia urban area.

3.1.2. **Expected Results.** It is recognised that several of the specific objectives will "overlap" with their results contributing to the achievement of other objectives, such as improved watershed management is likely to result in improved water quality, reduced flood risk and greater climate resilience. However for each of the specific objectives the main **expected results** are:

**1). Strengthened Sector Governance** - Seven strategies have been identified to “strengthen Sector governance framework to guide and sustain Sector developments”. These strategies will address the need to guide and sustain Sector developments through the formulation of a coherent Sector policy framework, identification of sustainable financial means to meet resourcing requirements, building and sustaining institutional capacity to implement Sector investments, a robust monitoring system to measure sector performance and an effective clearing house mechanism in place for effective communication to its key stakeholders including local communities. In addition, the Sector will also be focusing on strengthening its disaster preparedness and response strategies to better coordinate efforts and resources during natural disasters especially with the finalisation of its Disaster Risk Management Plan developed with the use of the TCF. More broadly, climate change will be addressed through the various dimensions of sector governance (e.g. through the policy framework, budgeting and financing, performance assessment; and institutional capacity) to ensure greater resilience and therefore sustainability. In this context, undertaking a Strategic Environmental/ Climate Risk Assessment of the sector can usefully guide the sector and highlight environmental and climate change aspects requiring further attention at the result and indicator level.

**2). Improved Watershed Management** - Strengthening watershed conservation and management has been identified as a priority strategy of the 4 key strategies required to “improve watershed management and reliability of water resource data through integrated water resource management”. This is in response to increasing developmental activities in key watershed areas that are water supply sources. Other key strategies include expansion of the water resource monitoring network for both groundwater and surface water resources to map out availability of water resources in the face of increasing climate variability and the likely threats to the quantity and quality of water resources, improving enabling environment for water resource management and strengthening community engagement.

**3). Increased access to Clean, Reliable & Affordable Water** - The water supply subsector has identified nine specific strategies to address the sub-sector objective “To increase access and improve provision of reliable, clean and affordable water supply” resilient in a climate change context to all people living in Samoa.

Six of these strategies primarily apply to the Samoan Water Authority (SWA) as the prime agency for delivery of piped water supply services and will address the need to (1) optimise the use and operation of the existing infrastructure and facilities through Non Revenue Water reduction programs including strengthening of meter management, pipe replacement, and overall network control improvements, rehabilitation of priority facilities including upgrade of the disinfection systems to improve water quality, improved asset management systems and implementation of improved preventative maintenance and improved financial management. This will result in better usage of water resources, improve climate change resilience, potentially contributing to preserving biodiversity by better maintaining minimum surface water base flows; (2) to secure alternative sources of supply for the dry season – this involves the drilling of standby boreholes and rehabilitation of spring and river intakes thus improving climate change resilience and adaptation; (3) to continue capacity building and enhance community consultation – a program of continuous skills improvement, community consultation at grass roots level and public awareness programs; and (4) to prioritise future water supply service area expansion investments – investments prioritised taking account of social, environmental, climate, technical and economic considerations. It will be important to ensure that all water supply infrastructure and investments are resilient to the likely impacts of climate change as well as the issue factored in softer measures like awareness raising and demand management.

Strategies and actions for the independent water schemes revolve around upgrade of priority schemes and implementation of Drinking Water Safety Plans (DWSPs) to improve service and water quality and improved community management. The remaining strategies and actions promote improved water use efficiency through improvements in the plumbing trade including emphasis on rainwater harvesting as the prime source of water supply for zones where piped supply is not economic or financially viable and for low income households. The installation of water tanks for rainwater harvesting will also increase resilience to climate change and allow for better access to water during times of drought when domestic water tanks can be filled by water tankers. Support to cover untreated and unmetered water supply areas around Apia has been provided by the Government of Japan

**4). Drinking Water Surveillance** - Four strategies have been identified to “improve surveillance of drinking water quality and water borne diseases”. These revolve around surveillance of drinking water quality to increase access to safe water supplies, surveillance of water-borne diseases as a measure of improved drinking water quality and good hygiene practice, capacity building and improved coordination and information sharing between key stakeholders. The findings of the surveillance will inform the other results, and allow for the monitoring of progress.

**5). Increased Access to Sanitation** - A total of five strategies have been identified to “increase access to adequate sanitation, improved wastewater systems and improved hygiene practices”, thereby reducing negative environmental impact and increasing the overall resilience to climate change. These strategies will ensure nationwide awareness programs on sanitation and wastewater management issues, all households will have access to basic sanitation at the minimum of a Ventilated Improved Pit (VIP) latrine in applicable areas, increased compliance to sanitation and wastewater standards and regulations, improved capacity of Implementing Agencies to implement statutory roles and responsibilities relating to sanitation and expansion of the sewer network to connect commercial properties within the Central Business District (CBD).

**6). Flood Mitigation & Drainage Rehabilitation** - Four strategies have been identified to mitigate impacts of flooding in the CBD. These will address first and foremost clarification on the roles of Land Transport Authority (LTA), Ministry of Works Transport & Industry (MWTI), Ministry of Natural Resources & the Environment (MNRE) and the existing Drains Committee, the need for regular and routine maintenance of the drainage system including upgrades and rehabilitation of drains, capacity building for key implementing agencies and strengthening of awareness programs to address negative behaviours toward care of public drains and river channels. It will be important to assess the design and operation of the system with respect to increased risks due to climate change.

3.1.3. Of the six sectors for expected results, **five performance indicators** have been selected. The main indicators for measuring the aforementioned results are contained in the sector intervention framework attached in annex.

**3.1.4. Donor coordination and policy dialogue:**

The coordination of development partner funding is the responsibility of the Aid Coordination & Debt Management Division in the Ministry of Finance based on the Government of Samoa's Aid Cooperation Policy. Decisions on funding, which usually originate from the sector, must be in line with the sector priorities and must be formally approved by the Joint Water Sector Steering Committee, which is led by the Government and includes donors and civil society representatives. The Aid Division holds quarterly coordination meetings with donors to promote harmonisation and improved cooperation in line with the Paris Declaration principles. The other main donors currently supporting the water sector are JICA and ADB. The Government of Australia also provides assistance for rainwater harvesting through its climate change facility that is implemented by the Civil Society Support program

In 2010 ADB provided technical support to Samoa for preparation of a National Sanitation Master plan, which guides the implementation of the sanitation component of the national plan in relation to appropriate technology and priority intervention areas. JICA is currently providing short term experts to improve the operation of the current water treatment plants (WTP) and has provided funding for an additional WTP including metering. Japan also assists in infrastructure in the transport sector. New Zealand Ministry of Foreign Affairs and Trade (NZMFAT) has Tourism, Health and Education as its focal area whilst the Government of Australia is focused on Health, Education, Energy and Governance including Disability and Gender. The World Bank and ADB provide the bulk of their assistance to the infrastructure sector. The UN largely provides technical assistance to the focal areas of the specialised agencies and to issues of gender and youth. China provides assistance to Samoa through, large infrastructure projects, (such as the national hospital, government administrative buildings etc), scholarships, capacity building in agriculture and the provision of medical doctors.

**3.1.5. The Government's financial and policy commitments:**

The Government of Samoa produces a four year strategy with the latest Strategy for Development of Samoa (SDS) being for the period of 2012-16. During the formulation phase there is widespread consultation with Civil Society, the private sector and Development Partners. The national development policy is structured in a way that there are 14 identified sectors categorised into four Priority areas:

- 1). Economic Sector (prioritising agriculture & tourism),
- 2). Social Policies (prioritising health & education),
- 3). Infrastructure sector (prioritising water, energy & transport)

#### 4). The Environment (prioritising sustainability and Climate & Disaster Resilience)

The SDS 2012-2016 is being underpinned with a detailed analysis and recommendations to target improved services and support to vulnerable groups including low income households. Whilst there have been some efforts in the past to target assistance to low income and vulnerable families developing effective programmes to achieve this is a challenge. The availability of recent Household Income Expenditure survey data and poverty studies will ensure that the challenge is addressed and that future growth results in reduced poverty. This will require more work in partnership with civil society. Samoa under its Medium Term Debt Management Strategy is focused on reducing debt stocks as well as halting new loan commitments due to concerns of the growing external debt burden, which will constrain any large-scale new investments. However, development partners, in particular EU, Australia and New Zealand, provide significant grants funds for development and Australia and New Zealand are now actively pursuing the transition to budget support funding but already provide budget support on compliance by the Government of Samoa of the Joint Policy Matrix. Debt sustainability issues has also resulted in the provision of 100% grants by the multilateral financial institutions.

The Water for Life sector policy is very relevant to the objective of poverty reduction, sustainable and inclusive growth. It is also strongly contributing to democratic governance, particularly with respect to the Independent Water Supply schemes which are substantially self-governing. The policy aims to address the specific challenges and objectives identified in the public policy in that it has a specific purpose of providing services to all the people of Samoa. With the main population urban areas being connected to a reticulated water supply scheme and having good access to sanitation systems (largely septic tanks of varying quality) the main focus on expanding service delivery is in the rural areas, and particularly in those areas where sectors of population live below basic needs poverty line.

Improving water quality in the main urban area of Apia (the capital of Samoa) also has a pro-poor focus as the poorer sections of the population are unable to buy bottled water, so by improving the water quality health levels in general, but more so for the urban poor, should increase with this having an impact on their general health, ability to generate sustainable incomes etc. With children, particularly under 5 years old, being especially vulnerable to water borne diseases (resulting in diarrhoea etc.) it can be reasonably expected that this segment of the population will be disproportionately positively affected by improved water quality. This will also have a positive "knock on" effect with healthier children also improving the lives of women, who are the primary carers for children in Samoa. Also women, who bear most of the responsibility for the provision of clean water for the family and maintaining hygiene and sanitation standards in villages, will also benefit by not having to boil water to ensure that it is of a good quality and in poorer households, that do not use cooking gas to boil the water, the women will not have to look for firewood, thus creating an environmental benefit as well.

The policy aims to strengthen domestic accountability and national control mechanism by empowering Samoans, and in particularly the water & sanitation sector, to take responsibility for their own sector plan, with specific measurable Performance Indicators. It is also encouraging financial sustainability by having Performance Indicators for the Samoa Water Authority (which supplies 85% of the population with their domestic water) related to Billing Efficiency, Collection Efficiency and the reduction in Non-Revenue Water (NRW), the latter being a major cost with NRW levels being around 60%.

The **policy costing** has been included in the sector plan and includes expected donor funding.

Since the 2011/12 budget, **Budget comprehensiveness** has improved by capturing all Development Partner funding. All aid is on budget.

The IMF report of May 2013 states that the Government of Samoa is committed to implementing sound policies to ensure macroeconomic stability and to reduce poverty. The authorities' policies are broadly in line with the IMF's recommendations. In particular the IMF believes that the recently approved access to the Rapid Credit Facility (Special Drawing Rights of 5.8 million) will help achieve stable macroeconomic conditions and facilitate the authorities' effort to reprioritise development expenditure which would allow them to better target the poor and most vulnerable segments of the population.

The government of Samoa has made significant progress under both the first and second PFM reform phases. The main aim of the third reform phase starting in 2014 is to roll out PFM reforms to all ministries and corporations as well as to improve procurement, audit of public accounts and timely payment to suppliers. Rigorous implementation of the recommendations of the 2013 Public Expenditure and Financial Accountability (PEFA) and the Public Expenditure Review will also be important.

3.1.6. In line with national legislation and regulations as well as EU Guidelines, the appropriate type of **environmental assessment** (Sustainable Environment Assessment, Environmental Impact Assessment and/or Climate Risk Assessment) will be carried out. A Strategic Environmental and Climate Risk Assessment (or equivalent) of the water sector will be undertaken to inform policy development.

3.1.7. The overall **risk assessment** of the sector intervention:

European Union budget support has sustained significant financing and fiscal space for the sector (approximately 70%). This has been exacerbated further in the wake of the devastating impact of the 2009 tsunami, the 2012 Cyclone Evan and the global economic downturn, none of which the Government of Samoa has any control over. All of these events, to varying degrees, have obviously greatly affected the Government of Samoa's financial resources. Restoring **Financial Sustainability** is therefore vital and not without risk. An important aim will therefore be to improve progressively revenue collection and the financial sustainability of the sector, guided by Performance Indicators in Collection & Billing Efficiency as well as Non-Revenue Water. Financial liabilities of the SWA have affected their financial sustainability but, with the write off of substantial "bad debts" it is expected that SWA, with a better management and governance structure, will now start to better cover its expenditures.

In recent years, due largely to exogenous shocks (2009 Tsunami, 2012 Cyclone Evan and the Global Financial Crisis), the government's level of debt substantially increased to around 58.7% of GDP in the first quarter of 2013/14 (Quarterly Economic Overview Issue no 62). A debt management unit, created in 2012, is implementing its Debt Reform Plan and is closely monitoring the Debt Strategy in an effort to return to threshold levels as early as possible. The government is committed to the Public Finance Management reform process which is progressing satisfactorily. The IMF confirms that the Government's commitment to reform is strong and on-going.

The water and sanitation sector is particularly vulnerable to climate change and can itself impact on the environment especially with high levels of non-revenue water including leakages. It therefore needs to be designed and managed with due regard to possible climate and environmental risks (both rapid and slow-onset events).

#### 4. Measures in Favour of Civil Society.

An **indicative amount** of maximum EUR 2 million may be set aside for support to civil society organisations which the Government of Samoa sees as supportive of its commitments to more inclusive development; this will be approximately 10% of the total allocation (the same as under the 10<sup>th</sup> EDF) and will build upon the achievements and experience of the 10<sup>th</sup> EDF's Civil Society Support Programme.

The main challenges addressed by Civil Society in Samoa are:

***Lack of access to socio-economic services:*** High dropout rates and a declining labour market contribute to an increasing number of jobless youth with little prospect of securing jobs. In addition, limited skills are preventing the unemployed, **in particular youth**, from starting businesses. There is access to social services and informal service delivery providers are encouraged to pursue accreditation with the Samoa Qualifications Authority. ***Lack of adequate resources to meet basic household needs:*** Despite the six years of relatively good economic growth that was achieved in the period between the household surveys of 2002 and 2008, the level of hardship and poverty being experienced by the least well-off in Samoan society has not improved. The increase in the level of inequality as measured by the Gini coefficient and the accompanying increase in the depth of poverty as measured by the poverty gap index, suggest that the economic growth did not really benefit the most disadvantaged. The results of this household survey, held in the middle of the global economic slowdown, also reflect the impact of the global situation on the Samoan economy.

***Lack of capacity, resources and opportunities for vulnerable groups to take control of their own development:*** In the face of hardship, individuals have very little choice than to allocate the majority of their scarce financial and time resources to meeting basic daily needs and social obligations. Eventually income poverty prevents vulnerable groups from greater options for their own development.

***Limited capacity and narrow funding basis of CSOs:*** CSOs are often limited in their capacity to fully engage in community and national development, to plan, manage and maintain socio-economic programmes as well as to consistently fulfil their advocacy role.

***Empowerment of Women:*** With the Civil Society programme focussing on the improvement of the socio-economic environment, women are likely to benefit more because they often have less access to economic opportunities but with female education levels improving they are better positioned to take advantage of such opportunities.

#### 5. B-Allocation

No B-Allocation is to be included in the NIP

#### 6. Support Measures

An **indicative amount** of maximum EUR 0.8 million may be set aside for support measures for identification and formulation of actions:

The Support Measure will provide technical assistance and capacity building to facilitate commitment implementation and monitoring of programmes under the National Indicative Programme in particular, the implementation of the water sector policy support programme, the Civil Society Support Programme and to assist in meeting good governance commitments.



Medium and short term experts will assist the NAO office in carrying out its role and to develop national capacity. The project will also aim to strengthen public finance management systems in the context of Government's comprehensive reform plan agreed as part of the sector budget support programme. Other components of the programme will facilitate capacity building through participation at relevant seminars, workshops, conferences and training events. The NAO office in the Ministry of Finance will identify priorities and coordinate support with other capacity building initiatives.

## **Annexes**

1. Country at a Glance (i.e. macroeconomic indicators and indicators derived from the MDGs)
2. Donor matrix showing the indicative allocations per sector
3. Sector intervention framework and performance indicators
4. Indicative timetable for commitment of funds

Annex 1:- Key macro-economic indicators ( <i>Fiscal Year</i> )										
		2008/2009	2009/2010	2010/2011	2011/2012	2012/2013(f)	2013/2014(f)	2014/2015(f)	2015/2016(f)	2016/2017(f)
<b>Basic data</b>										
1	Population (in 1000)	183.573	184.989	186.405	187.820	189.236	190.652	192.067	193.483	194.899
	annual change in %	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7
2a	Nominal GDP (in millions EUR)	378	421	476	537	575	525	547	581	-
2b	Nominal GDP per capita (EUR)	2 061	2 274	2 551	2 861	3 039	2 755	2 849	3 004	-
2c	annual change in %	-7.9	10.4	12.2	12.2	6.2	-9.3	3.4	5.5	-
3	Real GDP (annual change in %)	-5.1	0.4	2.0	1.5	1.3	3.5	1.2	1.6	2.5
4	Gross fixed capital formation (in % of GDP)	8.7	9.2	9.0	9.0	9.1	-	-	-	-
<b>Balance of payments</b>										
5a	Exports of goods (in % of GDP)	2.1	3.1	3.6	4.1	4.1	4.0	3.9	3.7	-
	of which the most important: <i>fish</i> (in % of exports)	7.7	16.6	9.1	7.8	10.4	-	-	-	-
	of which share of regional trade (in % of exports)	0.17	0.31	0.30	0.33	0.35	0.43	0.33	0.21	0.00

		2008/2009	2009/2010	2010/2011	2011/2012	2012/2013(f)	2013/2014(f)	2014/2015(f)	2015/2016(f)	2016/2017(f)
5b	Imports of goods (in % of GDP)	43.9	44.8	44.2	47.2	46.5	45.3	44.3	43.3	-
	of which share of EU imports (in % of imports)	4.84	1.80	2.03	1.98	1.86	-	-	-	-
5c	Trade balance (in % of GDP)	-41.8	-41.7	-40.6	-43.1	-42.4	-41.4	-40.4	-39.5	-
6	Export of services (in % of GDP)	31.8	29.8	29.8	27.0	-	-	-	-	-
	of which the most important: <i>Travel</i> (tourism) (in % of exports)	65.7	71.3	68.0	71.7	69.9	-	-	-	-
6a	Current account balance (in % of GDP)	-6.5	-9.2	-4.3	-9.3	-9.7	-8.7	-7.8	-7.0	-
7	Net inflow of remittances (in % of GDP)	24.4	22.5	23.2	22.5	22.4	22.0	21.8	21.7	-
8	Net inflows of foreign direct investment (in % of GDP)	9.2	1.1	9.4	-2.4	2.8	-	-	-	-
9	External debt (in % of GDP)	41.0	45.0	49.0	55.0	59.0	62.6	64.9	63.3	64.1
10	Service of external debt (in % exports goods + services)	5.1	2.4	3.8	4.5	7.0	7.6	8.4	8.8	8.4

		2008/2009	2009/2010	2010/2011	2011/2012	2012/2013(f)	2013/2014(f)	2014/2015(f)	2015/2016(f)	2016/2017(f)
11	Foreign exchange reserves (in months of imports of goods and non-factor services)	3.4	7.6	6.4	5.7	5.5	5.4	5.4	5.6	
<b>Trade capacity</b>										
12	Average cost to export (USD per container)	490	490	490	490	490	490	-	-	-
13	Global competitiveness index	-	-	-	-	-	-	-	-	-
<b>Government budget</b>										
14	Revenues (in % of GDP)	40.5	42.8	40.0	38.1	40.2	42.5	32.5	29.7	-
	of which: grants (in % of GDP)	7.8	15.3	8.2	8.2	9.0	12.4	4.1	2.8	-
	of which: external tariff income (in % of GDP)	3.3	2.2	3.0	2.8	2.6	2.4	2.3	2.1	-
16	Expenditure (in % of GDP)	48.3	56.4	50.0	45.3	46.3	47.0	36.2	30.1	-
	of which: capital expenditure (in % of GDP)	15.2	18.7	14.8	12.3	13.5	10.6	7.5	3.9	-
16a	Deficit (in % of GDP) including grants	-7.8	-13.6	-10.0	-7.2	-6.1	-4.5	-3.7	-0.4	-
16b	Deficit (in % of GDP) excluding grants	-15.6	-28.9	-18.1	-15.4	-15.1	-16.9	-7.7	-3.3	-

17	Total (domestic+ external) debt (in % of GDP)	38.3	75.9	82.9	76.4	80.3	84.2	87.9	89.7	90.5
		2008/2009	2009/2010	2010/2011	2011/2012	2012/2013(f)	2013/2014(f)	2014/2015(f)	2015/2016(f)	2016/2017(f)
<b>Monetary policy</b>										
18	Consumer price inflation (annual average rate in %)	14.6	-0.2	2.9	6.5	0.9	1.5	4.0	4.0	3.1
19a	Commercial Bank Lending Rates (annual average rate in %)	12.5	11.4	10.2	9.8	10.1	10.2	-	-	-
19b	Deposit Rates (annual average rate in %)	5.7	3.6	2.3	2.4	2.7	2.9	-	-	-
20	Exchange rate: annual average national currency / 1EUR	3.8	3.5	3.2	3.0	3.0	3.4	3.4	3.4	3.4

### Sources

1. Time is calculated in fiscal years. For Samoa, the fiscal year begins on July 1<sup>st</sup> and ends on June 30<sup>th</sup> of the following year. 2008/2007 can also be represented as Fiscal Year 2008 or FY2008.
2. Population: UNDESA United Nations Department of Economic and Social Affairs, Population Division, Populations Estimates and Projections Section (UNDESA). Website: <http://esa.un.org/unpd/wpp/Excel-Data/population.htm> and Government of Samoa
3. Nominal GDP: Government of Samoa National Budget Estimates for various years and the IMF Article IV Mission - Country Report for 2012. Since the GDP data is denominated in Samoan Tala, WST/EUR bilateral exchange rate (period average for the fiscal year) is used to convert the nominals into EUR. Exchange Rate data is from Central Bank of Samoa's quarterly bulletins (various issues) and also from the UNCTAD's database: [http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx?sCS\\_referer=&sCS\\_ChosenLang=en](http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx?sCS_referer=&sCS_ChosenLang=en). The forecasts used are from the Consensus Forecasts (December 2013) where cross rates have been applied on the major currencies published to obtain WST/EUR exchange rates.

4. Real GDP: Government of Samoa National Budget Estimates for various years and the IMF Article IV Mission - Country Report for 2012.
5. Gross Formation: United Nations (UNdata): <http://data.un.org/Default.aspx>
6. Exports, Imports, Trade Balance and Current Account data have been sourced from the Central Bank of Samoa, while forecasts are from IMF Article IV Mission 2012 Country Report.
7. Remittance, FDI, Debt and Debt Service Ratio data are again from the IMF Article IV Mission 2012 Country Report.
8. Reserve Cover data is from the Central Bank of Samoa.
9. EU trade data is from the Eurostat Database: <http://ec.europa.eu/trade/policy/countries-and-regions/statistics/regions/>
10. Trade Capacity data has been sourced from the World Bank: <http://databank.worldbank.org/data/views/reports/tableview.aspx>
11. Government Budget data are from the various National Budget estimates and releases from the Government of Samoa.
12. Monetary Policy indicators have been sourced from IMF Article IV Mission Country Report 2012 and the Government of Samoa.
13. WST (Western Samoan Tala) is the currency in use in Samoa. Also refer to endnote No. 3 above.
14. For the MDGs and development indicators, additional information is provided in the attached excel file (which shows data sources in the 'comments').

**Table 9B: Independent State of Samoa - Samoa  
KEY MDG AND DEVELOPMENT INDICATORS**

Key indicators		1990	2000	2008	2009	2010	2011	2012	2013	2014	2015 Expected Achievements (On-Track/Off-Track/Mixed/Insufficient information/Not Applicable)	2015 Original Goals
1	Proportion (%) of population below 1\$/day in PPP [Source: PIFS 2013 MDG Report (based on National Basic Poverty needs)]	15.0	22.9	26.9	...	...	...	...	...	...	<b>OFF TRACK TO ACHIEVE THIS GOAL.</b> TARGET 1.A Poverty, more accurately hardship, measured by people below BNPL increased between 2002 and 2008, especially for rural areas – Savai’I accounts for a quarter of the poor. Hardship in the urban centres declined. Weak labour market conditions continue with job cuts by Samoa’s biggest private employer (Yazaki Samoa). Inflation remains high, making it difficult for households to meet daily needs. Reducing hardship a key priority for the Government. [Source: PIFS 2013 MDGs Report, pg 22]	Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

2	Prevalence (%) of underweight children under age 5 [Source: PIFS 2013 MDG Report]	6.6	1.9	...	...	...	...	...	...	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 1.C Low prevalence of underweight children and low food poverty. But poorest households not receiving adequate nutrition despite increased dietary energy supply. Growing concern of overweight children, linked to NCDs epidemic in Samoa. [Source: PIFS 2013 MDGs Report, pg 22]	Halve, between 1990 and 2015, the proportion of people who suffer from hunger
3	Under 5 child mortality (per 1,000 live births) [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	30.3	21.5	18.5	18.3	18.1	18.0	17.8	...	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 4.A No quality data but likely low under-five mortality and infant mortality. Samoa's national goal is to 'Improve Child Health' rather than 'Reduce Child Mortality'. However, Government recognises the danger of a trend reversal if it does not sustain effective services delivery and targeted prevention programmes. Government working closely with NGOs and development partners to raise the immunisation rates of children. [Source: PIFS 2013 MDGs Report, pg 22]	Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate
4	HIV Prevalence in Population aged 15-24 (%) [Source: PIFS 2013 MDG Report]	0.0	0.0	...	0.0	...	...	...	...	...	...	<b>MIXED RESULTS IN ACHIEVING THIS GOAL.</b> TARGET 6.A Even though absolute numbers are small, HIV/AIDS still a concern given high prevalence of STIs, low condom use and low HIV/AIDS knowledge. [Source: PIFS 2013 MDGs Report, pg 22]	HIV have halted by 2015 and begun to reverse the spread of HIV and



													AIDS
5	Births attended by skilled health personnel (%) [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	76.0	...	...	80.8	...	...	...	...	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 5.A Low maternal deaths and improvement in skilled birth attendance. Concerns over access to skilled birth attendants in the rural area. Antenatal care high. [Source: PIFS 2013 MDGs Report, pg 22]	Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio
6	Children 1 year old immunized against measles (%) [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	89.0	93.0	45.0	49.0	61.0	67.0	...	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 4.A No quality data but likely low under-five mortality and infant mortality. Samoa's national goal is to 'Improve Child Health' rather than 'Reduce Child Mortality'. However, Government recognises the danger of a trend reversal if it does not sustain effective services delivery and targeted prevention programmes. Government working closely with NGOs and development partners to raise the immunisation rates of children. [Source: PIFS 2013 MDGs Report, pg 22]	Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	

7	Total net enrolment ratio in primary education, both sexes [Source: PIFS 2013 MDG Report (for 1990) & <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	93.0	92.2	97.2	96.6	95.1	93.4	...	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 2.A Net enrolment and literacy rates high, but survival rate lower and recently declining. Latter due to lack of affordability of school fees, lack of parental support and low priority on education. Compulsory Education Act in place since 1992 but not strictly enforced. 2008 Education Bill introduced – Government fines parents for children not in school. 2010 School Fee Grant Scheme covers full payment of fees. Other initiatives in place to address enforcement of education legislation and teacher shortages. Government’s strong commitment, including budget support, should reverse the trend in survival rate. [Source: PIFS 2013 MDGs Report, pg 22]	Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling
8a	Gender Parity Index in primary level enrolment [Source: PIFS 2013 MDG Report (for 1990) & <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	0.98	1.00	...	1.00	1.02	1.04	...	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 3.A Gender parity in education achieved but concern over the performance of boys, with males less likely to complete secondary and tertiary education compared to girls. Concern over reverse gender gap due to links to higher risk of male unemployment, crime and violence against women and children. Women’s employment up but room to improve. Low representation of women in parliament. Reflects significant obstacles, including political system where only a chief (matai) can run	Eliminate gender disparity in primary and secondary education, preferably by
8b	Gender Parity Index in secondary level enrolment [Source: PIFS 2013 MDG Report (for 1990) & <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	1.06	1.14	...	1.15	1.14	1.15	...	...	...		

8c	Gender Parity Index in tertiary level enrolment [Source: PIFS 2013 MDG Report]	1.66	1.43	...	1.56	...	...	...	...	...	for election, as well as social and customary attitudes about the traditional role of women. Since 2012, Samoa examining a quota system for female representation in parliament. [Source: PIFS 2013 MDGs Report, pg 22]	2005, and in all levels of education no later than 2015
9	Percentage of pupils starting grade 1 who reach last grade of primary, both sexes [Source: PIFS 2010 & 2013 MDG Report (for 1990, 2008, 2012) & <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	86.0	90.6	95.9	...	76.6	...	84.0	...	...	<b>ON TRACK TO ACHIEVE THIS GOAL.</b> TARGET 2.A Net enrolment and literacy rates high, but survival rate lower and recently declining. Latter due to lack of affordability of school fees, lack of parental support and low priority on education. Compulsory Education Act in place since 1992 but not strictly enforced. 2008 Education Bill introduced – Government fines parents for children not in school. 2010 School Fee Grant Scheme covers full payment of fees. Other initiatives in place to address enforcement of education legislation and teacher shortages. Government’s strong commitment, including budget support, should reverse the trend in survival rate. [Source: PIFS 2013 MDGs Report, pg 22]	Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

10	Population with sustainable access to improved water source (%) [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> ]	89.0	93.0	97.0	97.0	98.0	98.0	...	...	...	<b>MIXED RESULTS IN ACHIEVING THIS GOAL.</b> TARGET 7.C Proportion of the population using an improved drinking water source increased but findings from initial water quality surveys indicate that access to safe water is likely much lower (30-40%). Room to improve in access to proper sanitation. [Source: PIFS 2013 MDGs Report, pg 22]	Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources
11a	Fixed telephone lines per 100 inhabitants [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> & PIFS 2013 MDG Report (for 2010)]	2.54	5.44	10.8 2	...	19.3 0	...	...	...	...	...	...
11b	Mobile cellular subscriptions per 100 inhabitants [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> & PIFS 2013 MDG Report (for 2010)]	0.00	1.41	47.4 4	...	91.4 0	...	...	...	...	...	...
11c	Internet users per 100 inhabitants [Source: <a href="http://mdgs.un.org/unsd/mdg/data.aspx">http://mdgs.un.org/unsd/mdg/data.aspx</a> & PIFS 2013 MDG Report (for 2010)]	0.00	1.69	5.03	6.00	7.00	11.0 0	12.9 2	...	...	...	...

	g/data.aspx]											
12	Cost of business start-up procedures (% of GNI per capita) [Source: <a href="http://data.worldbank.org/country">http://data.worldbank.org/country</a> ]	...	...	39.8	9.9	9.8	9.7	9.5	9.6	...	...	...
13	Time required to start a business (days) [Source: <a href="http://data.worldbank.org/country">http://data.worldbank.org/country</a> ]	...	...	35.0	9.0	9.0	9.0	9.0	9.0	...	...	...
14	Real GDP per capita, PPP (constant 2005 international \$) [Source: <a href="http://data.worldbank.org/country">http://data.worldbank.org/country</a> ]	2596	3093	4076	3842	3830	3855	3936	...	...	...	...
15	Access of rural population to an all season road [ <a href="http://www.quandl.com/browse/worldbank/international-development-association-results-measurement-system/access-to-an-all-season-road-of-rural-population-all-countries">http://www.quandl.com/browse/worldbank/international-development-association-results-measurement-system/access-to-an-all-season-road-of-rural-population-all-countries</a> ]	...	...	...	...	...	...	...	...	...	...	...
16	Household electrification rate [ <a href="http://www.quandl.com/society/household-electrification-rate-all-countries">http://www.quandl.com/society/household-electrification-rate-all-countries</a> ]	...	...	...	...	...	...	...	...	...	...	...

17	Unemployment (in % of labour force, ILO def.) [Source: <a href="http://data.worldbank.org/country">http://data.worldbank.org/country</a> ]	...	4.9	1.3	...	...	5.7	...	...	...	...	...
18	Employment in agriculture (in % of total employment) [Source: <a href="http://data.worldbank.org/country">http://data.worldbank.org/country</a> ]	...	39.9	...	...	...	...	...	...	...	...	...

3

**Annex No2: DEVELOPMENT PARTNER AID ESTIMATES 2013-14 in WST (Based on pages XI to XV of the 2013-14 Budget).**

Development Agency	AusAID/ NZAID	AusAID/ EU	NZAID/ UNDP	ADB/ AusAID	AusAID	ADB	China	EU	GEF	JICA	NZAID	World Bank	UN Agencies	Other	TOTAL
Cash Grants	20,853,679	4,823,050	1,515,200		9,666,672	11,381,501		6,612,090	5,359,231	6,689,294	8,144,200	14,997,526	8,852,240	801,652	99,696,335
In Kind	13,967,002			7,697,600	6,504,177		16,200,000	471,819	113,200	1,200,000	3,384,578				49,538,376
Budget Support		9,456,000			27,937,846			14,465,000			24,044,330	44,148,000		592,489	120,643,665
Soft Loans						49,100,000	48,665,000					19,125,939		3,450,000	120,340,939
<b>TOTAL</b>	<b>34,820,681</b>	<b>14,279,050</b>	<b>1,515,200</b>	<b>7,697,600</b>	<b>44,108,695</b>	<b>60,481,501</b>	<b>64,865,000</b>	<b>21,548,909</b>	<b>5,472,431</b>	<b>7,889,294</b>	<b>35,573,108</b>	<b>78,271,465</b>	<b>8,852,240</b>	<b>4,844,141</b>	<b>390,219,315</b>

**SECTORS**

Education	18,350,002				6,669,836	6,202,865	16,200,000				3,409,200				50,831,903
Water								20,627,090							20,627,090
Health	15,240,279						29,081,000				1,562,550	6,911,587	2,716,800	280,296	55,792,512
Energy				7,697,600		23,700,000				6,689,294	1,894,000			3,450,000	43,430,894
Finance															-
IT/Com							19,584,000								19,584,000
Environment									3,849,898			770,939	5,682,640	521,356	10,824,833
Transport												20,726,939			20,726,939
Public Admin	1,230,400	9,456,000									1,979,230				12,665,630
Community Development		4,823,050							113,200	1,200,000					6,136,250
Tourism									1,509,333		3,314,500				4,823,833
Agriculture					2,028,312							5,714,000			7,742,312
Law & justice					7,472,701										7,472,701
Trade															-
Private Sector Support			1,515,200								1,348,528				2,863,728
Multisector								921,819					452,800	592,489	1,967,108
Cyclone Evan Recovery					27,937,846	7,938,636					22,065,100	44,148,000			102,089,582
General Budget Support						22,640,000									22,640,000
<b>TOTAL</b>	<b>34,820,681</b>	<b>14,279,050</b>	<b>1,515,200</b>	<b>7,697,600</b>	<b>44,108,695</b>	<b>60,481,501</b>	<b>64,865,000</b>	<b>21,548,909</b>	<b>5,472,431</b>	<b>7,889,294</b>	<b>35,573,108</b>	<b>78,271,465</b>	<b>8,852,240</b>	<b>4,844,141</b>	<b>390,219,315</b>

### Annexe 3 - Sector Intervention Framework and Performance Indicators

With both the Strategy for the Development of Samoa and the Sector Plan "Water for Life" having a time frame for implementation as 2012 to 2016 the following targets are for FY 2015/16 and as such will have to be revised in accordance with subsequent national/sector strategies.

- **Increased access to reliable, clean and affordable water supply.**  
- Water supply coverage increased from 76% to 88% by FY 2015/16

Indicator	Key PI	Unit	Baseline 2010/11	2012/13	2013/14	2014/15	2015/16
To increase access to reliable, clean and affordable water supply	Water Supply Coverage - % of all households with access to reliable, clean and affordable water.	%	76%	82%	84%	86%	88%

- **Improved drinking water quality.**  
- Water quality compliance at the end user location in Samoan Water Authority treated service area complying with Samoan National Drinking Water Standards increased from 56% to 80% by FY 2015/16

Indicator	Key PI	Unit	Baseline 2010/11	2012/13	2013/14	2014/15	2015/16
To improve drinking water quality	Water quality compliance - % of water tests in SWA treated service areas complying with the Samoan National Drinking Water Standards.	%	58%	66%	70%	75%	80%

- **Strengthened Sector Governance**  
- Institutionalise annual sector reviews with all Implementing Agencies reporting on progress against the Water for Life targets at these reviews.
- **Strengthened Sector Financial Stability.**  
- Collection efficiency (payments received / water use billed) for all customers covered by the Samoan Water Authority schemes.

Indicator	Key PI	Unit	Baseline 2010/11	2012/13	2013/14	2014/15	2015/16
Enhanced Financial Sustainability	Collection Efficiency – all customers (domestic & commercial) payments received/ water use billed	%	80%	84%	86%	88%	90%



- **Strengthened Watershed Conservation & Management.**

- Cumulative total hectares of prioritized watershed areas rehabilitated/declared reserved and managed in accordance with best international practice for tropical forests increased from 182 ha to 262 ha in FY 2015/16.

Indicator	Key PI	Unit	Baseline 2010/11	2012/13	2013/14	2014/15	2015/16
To strengthen watershed conservation and management	Cumulative total hectares of prioritised watershed areas rehabilitated and/or declared reserves	ha	182	202	222	242	262

Note: The results, indicators and means of verification specified in the present annex may need to evolve to take into account changes intervening during the programming period.

**Annex 4. Template for Indicative timetable for commitments**

	<b>Indicative allocation (EUR million)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>SECTOR</b>								
<b>- Water &amp; Sanitation</b>	17.2		17.2					
<b>Other Measures (support to Civil Society)</b>	2		2					
<b>B-allocation</b>	0							
<b>Support measures</b>								
<ul style="list-style-type: none"> <li>• <b>Measures to support or accompany the programming, preparation or implementation of actions</b></li> </ul>	0.8		0.8					
<ul style="list-style-type: none"> <li>• <b>Support to the National Authorising Officer</b></li> </ul>	EUR 0							
<b>Total Commitments</b>	<b>20.0</b>		<b>20.0</b>					

Note: The amounts mentioned in this table are indicative.