



# **MINISTRY FOR PUBLIC ENTERPRISES**

## **ANNUAL REPORT 2021**

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**Government of Samoa**

**OFFICE OF THE MINISTER**

**MINISTRY FOR PUBLIC ENTERPRISES**

**MINISTRY OF COMMERCE, INDUSTRY AND LABOUR,**

(Accident Compensation Corporation, Gambling Control Authority, Samoa Housing Corporation, Samoa Land Corporation,  
Samoa Sports and Facilities Authority, Small Business Enterprise Centre, Samoa Airways/Polynesian Airlines Ltd)

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Honorable Speaker of the House  
Legislative Assembly



Pursuant to Article 88(2) of the Constitution of the Independence State of Samoa I hereby submit to the Legislative Assembly the Ministry for Public Enterprises Annual Report for the year ended 30<sup>th</sup> June 2021.

Ma le faaaloalo lava,

Honorable Leatinu'u Wayne So'oialo  
**MINISTER OF PUBLIC ENTERPRISES**

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## ACRONYMS

<b>AR</b>	Annual Report
<b>CEO</b>	Chief Executive Officer
<b>CEMD</b>	Commercial Entities Monitoring Division
<b>CP</b>	Corporate Plan
<b>CSD</b>	Corporate Services Division
<b>CSO</b>	Community Service Obligation
<b>HR</b>	Human Resource
<b>ICT</b>	Information Communication & Technology
<b>ISC</b>	Independent Selection Committee
<b>MBMD</b>	Mutual Beneficial Monitoring Division
<b>MD</b>	Managing Director
<b>MPE</b>	Ministry for Public Enterprises
<b>NPAT</b>	Net Profit After Tax
<b>PBGD</b>	Public Bodies Governance Division
<b>PPP</b>	Public Private Partnership
<b>PPPPD</b>	Public Private Partnership & Privatization Division
<b>PTB</b>	Public Trading Bodies
<b>QR</b>	Quarterly Report
<b>ROE</b>	Return of Equity
<b>SDS</b>	Strategy for the Development of Samoa
<b>SOE</b>	State Owned Enterprises
<b>WOA</b>	Warrant of Appointment

<b>PUBLIC BODIES</b>			
<b>Public Trading Bodies</b>		<b>Mutual Bodies</b>	
<b>DBS</b>	Development Bank of Samoa	<b>SLAC</b>	Samoa Life Assurance Corporation
<b>EPC</b>	Electric Power Corporation	<b>SNPF</b>	Samoa National Provident Fund
<b>PAL</b>	Polynesian Airlines/Samoa Airways		
<b>PTO</b>	Public Trust Office	<b>Public Beneficial Bodies</b>	
<b>SAA</b>	Samoa Airport Authority	<b>ACC</b>	Accident Compensation Corporation
<b>SHC</b>	Samoa Housing Corporation	<b>GCA</b>	Gabbling Control Authority
<b>SLC</b>	Samoa Land Corporation	<b>NKFS</b>	National Kidney Foundation of Samoa
<b>SPA</b>	Samoa Ports Authority	<b>NUS</b>	National University of Samoa
<b>SPL</b>	Samoa Post Limited	<b>LTA</b>	Land Transport Authority
<b>SSC</b>	Samoa Shipping Corporation	<b>SIFA</b>	Samoa International Finance Authority
<b>SSS</b>	Samoa Shipping Services	<b>SQA</b>	Samoa Qualification Authority
<b>STEC</b>	Samoa Trust Estate Authority	<b>SSFA</b>	Samoa Sports Facilities Authority
<b>SWA</b>	Samoa Water Authority	<b>STA</b>	Samoa Tourism Authority
<b>UTOS</b>	Unit Trust of Samoa.	<b>SROS</b>	Scientific Research of Samoa

## HIGHLIGHTS OF THE YEAR

The Ministry for Public Enterprise again faced a challenging year with the continuous impact of COVID 19 pandemic on the performance of all Public Bodies. Regardless of the challenges, MPE continues its role as mandated under the Public Bodies (Performance & Accountability) Act 2001 to provide sound advice to the Shareholding Ministers on the performance of all Public Bodies. This calls for working collaboratively with other Government oversight agencies on monitoring and evaluating performance of Public Bodies.

**Mandate:** The principal legislation guiding the work of the Ministry is the Public Bodies (Performance & Accountability) Act 2001. The following are other legislations and Acts governing the Ministry:

- Constitution of the Independent State of Samoa 1962;
- Companies Act 2001
- Public Finance Management Act 2001 & Treasury Instruction 2012;
- Public Service Commission Act 2004;

**Our Values and Principles:** We strive to uphold:

- ***Accountability and Transparency*** – Being able to explain reason for actions taken. Making decisions in an open way.
- ***Efficiency and Effectiveness*** – Achieving good results for Samoa in an economical way.
- ***Honesty and Respect*** – Being truthful and abiding the laws of Samoa. Treating people, the Government and colleagues with courtesy and respect.
- ***Impartiality*** – Providing impartial advice, acting without fear or favor and making decisions on their merits.

Additionally, the following are policies impacting on the work of the Ministry:

- Strategy for the Development of Samoa (SDS) 2017-2020;
- Cabinet Directives;
- Community Service Obligation Policy 2017
- Revised ROE and Dividend Policies 2018
- Framework for Planning & Implementation of Public Private Partnerships 2014
- Ownership Performance and Divestment Policy 2012;
- Recruitment and Selection of Board of Directors Policy 2012.

## Our Vision

- *"High performing Public Bodies delivering quality service"*

## Our Mission

- *"To monitor and assess the performance and quality of service delivery by Public Bodies to ensure they are making a valuable contribution to the economic and social development"*

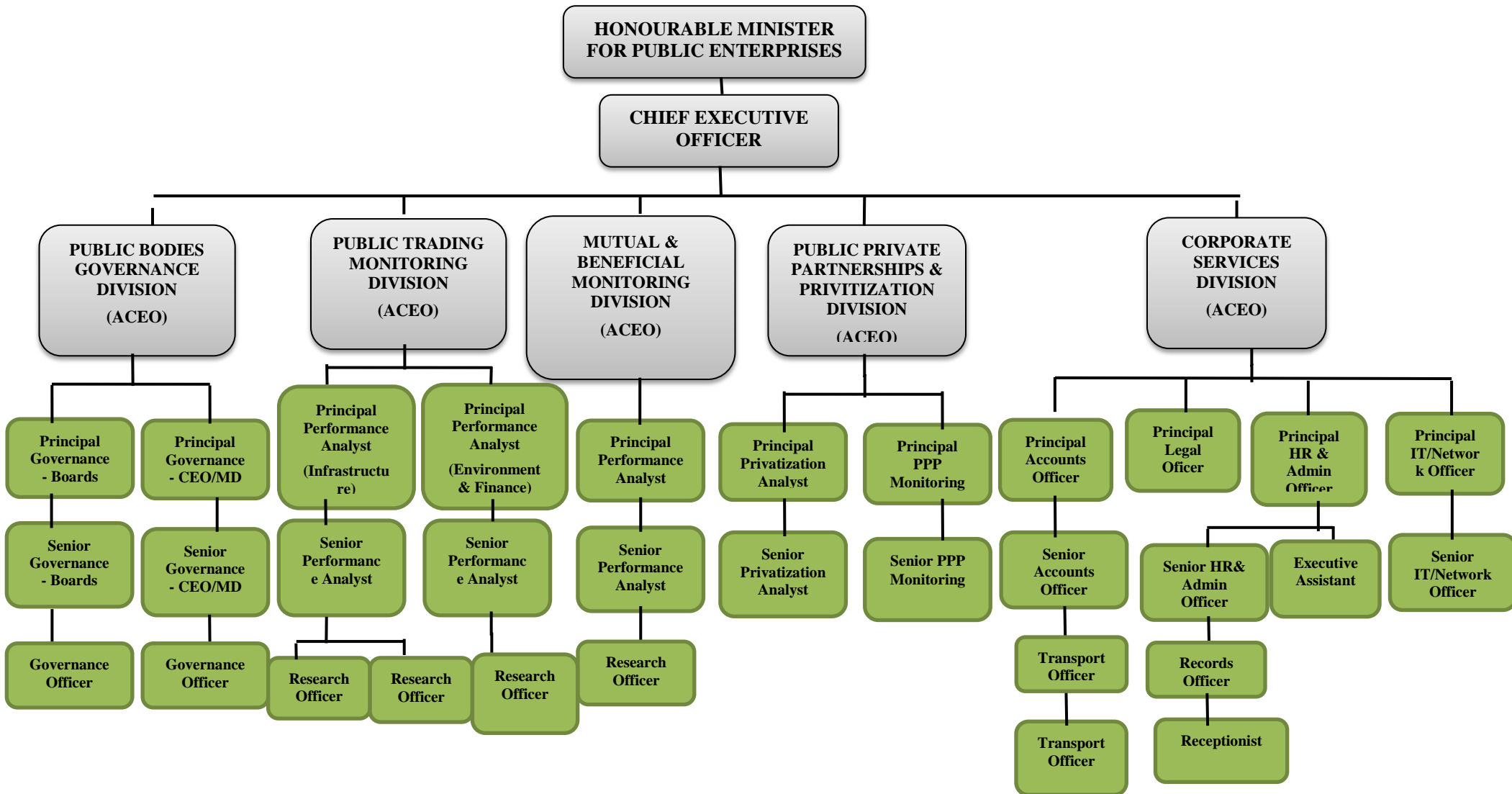
The following are a few of the highlighted milestones achieved and challenges faced by the Ministry in the reporting period: A comprehensive clarification of achievements and challenges will be outlined in specific divisional summary within this report.

Achievement	Challenges & Way Forward
<ul style="list-style-type: none"> <li>• Finalization of the Ministry's Corporate Plan 2020-2024.</li> <li>• Cabinet endorsed Guidelines on Recruitment &amp; Selection and Performance Management Framework for Public Body Chief Executive Officers/ General Managers/Managing Directors of all Public Bodies</li> <li>• Adoption of the Cabinet approved guidelines on the Code of Conduct and Conflict of Interest by all Boards of Public Bodies.</li> <li>• Cabinet endorsement of the review of ROE &amp; Dividend Policies with the implementation plan to be rolled out in the next 18 months.</li> <li>• Dividend collection from Public Trading Bodies recorded at \$19.6m for the reported financial year.</li> </ul>	<ul style="list-style-type: none"> <li>• Challenges identified during the implementation of the R&amp;S Guidelines for Public Bodies - Require legislative provisions for SOE's guidelines and inconsistency in the employment contract benefits for Public Bodies CEOs/GMs/MDs.</li> <li>• Reporting compliance by Public Bodies remains a challenge for the Ministry and the Ministry will continue its mitigation measures to ensure a 100% compliance from Public Bodies for the next Financial year.</li> <li>• Various reforms require amendments to the Act 2001. There has been a delay in getting these amendments approved so there are expected delays to implementation of reformed policies. A close collaboration with the AG's office is needed to ensure these amendments are approved within the given timeframe.</li> <li>• The challenge of changing mindsets from the traditional procurement method to the PPP concept still exists. The ministry will continue to support Ministries and Public Bodies, as well as private sector to comply with PPP Framework. Conducting awareness and consultation programs will also continue to enhance compliance and response from various stakeholders.</li> </ul>

Outlining some of the risk faced by the Ministry and identified some of the Management strategies applied to mitigate those risks.

<b>Risks</b>	<b>Management Strategy</b>	<b>Progress of Action</b>
Impact of Covid 19 to the performance of the Ministry	<ul style="list-style-type: none"> <li>• In place a Covid 19 response strategy to ensure the work of the Ministry continue during the lock down stages if Covid 19 reaches our shores.</li> <li>• Ensure to have the right equipment and IT infrastructure for staff to stay connected during the pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Covid 19 response strategy in draft.</li> <li>• Procurement of necessary IT hardware and software to ensure staff are able to work from home during the pandemic.</li> </ul>
Impact of Covid 19 to the performance of public bodies	<ul style="list-style-type: none"> <li>• Assist Public Bodies with reshaping, re-strategizing operations in response to pandemic, especially with Public Bodies in utilities and operations depending affective borders.</li> </ul>	<ul style="list-style-type: none"> <li>• Close consultation with CEO and Management of affected Public Bodies to re-prioritize operation spending.</li> </ul>
Government election delay Budget approval by Parliament for the new FY21-22.	<ul style="list-style-type: none"> <li>• Internal Control measures to reduce budget spending to utilize the 25% budget within the 4 months after the end of the financial year to ensure operation and staff salaries were still manageable.</li> </ul>	<ul style="list-style-type: none"> <li>• Close budget monitoring to prioritize budget utilization on staff salaries and urgent operational spending.</li> <li>• Parliament approved Government budget in September 2021 and the Ministry control measures was effective as spending was within the 25% threshold.</li> </ul>

## ORGANISATION STRUCTURE





## PUBLIC BODIES GOVERNANCE DIVISION

### A. OVERVIEW:

The goal of the Public Bodies Governance Division (PBGD) is to improve the performance of Public Bodies by strengthening their governance and regulatory frameworks in accordance with the Public Bodies (Performance & Accountability) Act 2001. The Division has increased its Objectives from four (4) to five (5) key Objectives, they are (1) Ensure the timely recruitment of Directors, (2) Strengthen the performance of Boards & Directors, (3) Efficient recruitment & selection of Public Body CEOs and GMs, (4) Effectively monitor the performance of Public Body CEOs and GMs and (5) Support the delivery of the Ministry's policy mandate.

### FY 2020-2021 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2020-2021 Budget	2020-2021 Actual	Progress Indicator	Comments
Percentage/number of Board Director positions advertised/recruited and Director appointments made	90%	79%		There were 38 Director vacancies. The R&S process was completed for 30 of these while Cabinet has yet to make a decision on eight of them. The delay was due to the April 2021 General Elections and there being no government sworn in until July. This meant it was not possible to formalize any new director appointments.
Percentage /Number of annual performance reviews of Board Directors conducted/completed.	80%			The Performance Evaluation Survey Templates were developed. The Review was to take place in July 2021.
Efficient R&S of Public Body CEOs & GMs	85%	100%		The R&S Guidelines and Performance Management Framework for PB CEOs/GMs/MDs was approved by Cabinet on the 12 <sup>th</sup> August 2020 (FK(20)31)  R&S for 10 PB CEOs/GMs/MDs anticipated. Division ensured all 10 were completed and conducted in accordance with the approved

				guidelines. On average it took 4.3 months to complete the R&S processes which fitted well with the 6 months' timeframe given in R&S Guidelines.
Effectively monitor the performance of Public Body CEOs & GMs	85%	77%		The Performance Management Framework for PB CEOs/GMs/MDs was approved by Cabinet on the 12 <sup>th</sup> August 2020 (FK(20)31)  13 Annual Performance reviews were anticipated. 10 were completed giving a compliance rate of 77%. Three remain outstanding.
Percentage/Number of meetings held by the Independent Selection Committee (ISC)	100%	100%		ISC meetings are held when there are Director vacancies that need filling. The ISC was active until April 2021.

## **B. ACHIEVEMENTS:**

1. Cabinet approved the Recruitment & Selection Guidelines and Performance Management Framework for Public Body Chief Executive Officers, General Managers & Managing Directors on the 12<sup>th</sup> August 2020; Cabinet directive FK(20)31. There is now a standardized process in place for the R&S and Performance Management of PB CEOs/GMs/MDs that is merit based.
2. Cabinet approved guidelines on the Code of Conduct and Conflict of Interest for the Boards of Public Bodies on the 16<sup>th</sup> September 2020; Cabinet directive FK(20)37. The guidelines reflect what is expected of Directors in accordance with their duty of care under the Public Bodies (Performance & Accountability) Act 2001.
3. There is 100% compliance with Section 20, Public Bodies (Performance & Accountability) Act 2001 that requires all Directors to provide a Declaration of Pecuniary Interest & Conviction (DPIC).

## **C. INITIATIVES & REFORMS:**

The Recruitment & Selection Guidelines and the Performance Management Framework for Public Body Chief Executive Officers, General Managers & Managing Directors is an attempt to ensure consistency with the R&S and performance management process of Public Body CEOs/GMs/MDs with those of their Ministry counterparts. Based on merit it will ensure that those applying for these positions are treated fairly and that there is integrity in the process.

Similarly the Code of Conduct and Conflict of Interest guidelines for the Boards are intended to assist Directors with the exercise of their duty of care by clearly outlining what is expected of them when it comes to ethical behavior and managing conflicts of interest. Cabinet's directive has made it

compulsory for all Boards to now have a signed Code of Conduct and Conflict of Interest Guideline in place.

A consolidated database for Public Body CEOs/GMs/MDs has been developed. The database provides a brief profile of each CEO/GM/MD and their commencement and cessation dates. This will ensure there is sufficient time (6 months) for the Boards to initiate the R&S process and a smooth transition between appointments.

#### **D. CHALLENGES & WAY FORWARD:**

There are still eight Director Vacancies that need to be filled. The delay in transitioning to a new Government has resulted in some uncertainty on the Boards regarding current and pending Directorships. Directors whose appointments have ended have been advised to continue to participate in board meetings until advised otherwise. This is consistent with advice provided by the Attorney General's Office.

The Division was able to assist ten Public Bodies with the R&S for their CEO/GM/MD. For the most part the application of the guidelines was relatively smooth. However there were a couple of instances where a Minister chose to circumvent the process despite Cabinet's directive endorsing the guidelines. The Ministry is following up with the Attorney General's Office what needs to be done to various legislative provisions to ensure compliance with the guidelines.

The application of the R&S Guidelines, in particular preparation & finalization of the CEO/GM/MD employment contracts has shown there is an inconsistency in the entitlements and benefits that Public Body CEOs/GMs/MDs are receiving. The Division is putting together a discussion paper on this with the intention of ensuring there is fairness across Public Bodies when it comes to entitlements & benefits.

## COMMERCIAL ENTITIES MONITORING DIVISION

### A. OVERVIEW

The Commercial Entities Monitoring Division (“CEMD”) is responsible for the effective monitoring and policy advice via consultative approach that drives improved performance of Public Trading Bodies listed under Schedule 1 of the Public Bodies (Performance and Accountability) Act 2001 (“The Act”).

### FY 2020-2021 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2020-2021 Budget	2020-2021 Actual	Progress Indicator	Comments
Percentage of Commercial Entities' Quarterly Report submitted to MPE one month after every quarter	100%	93%		Only PAL quarterly reports are still outstanding.
Percentage of Commercial Entities' Annual Report submitted to MPE four months after end of FY2021	100%	87%		13PTBs have submitted their AR 2020 except for STEC and PAL that are still outstanding.  STEC has only provided its Audited Accounts while full report is yet to be submitted.
Percentage of Commercial Entities complying to Dividend Policy	92%	94%		All PTBs have complied with the Dividend Policy. MPE is currently reviewing possibility of writing off outstanding dividend accrued from PAL following its current and accumulated unprofitable results as well as negative net assets.

### B. ACHIEVEMENTS

#### 1. Policies

##### a. ROE and Dividend Policy

The review carried out in March 2020 as reported in the last fiscal year was completed and approved by Cabinet in its FK (20) Special 36 on the 7<sup>th</sup> October 2020. The approval follows an implementation plan by MPE (CEMD) on the following over the next 2-3 years.

- Remodel the Statement of Corporate Objectives as a performance agreement between the Shareholding Ministers and the Board of Directors
- Refine the definition of the Community Service obligation to remove reference on the objective of “alleviating hardship in Samoa” but rather focus on the non-commercial activities undertaking by Public Trading Bodies. The process for approving CSO activities was also refined to reflect the new definition.
- Subsidiary financial management guidelines were also developed as part of the review and to be implemented to further complement the recent improvement in ROE and Dividend performances. These financial management guidelines include surplus capital, capital structure, asset efficiency, redundant assets, pricing and capital wastage guidelines will help ensure all capital expenditure is subject to detailed financial analysis to help reduce the number of non-commercial decisions and make the costs of such decisions more transparent.
- Review Corporate Income Tax, VAGST and other taxes for all Public Trading Bodies and the rationale behind the exemption and non-exemption of income tax.
- Implementation of the transfer of PTB to Companies Act as per section 5 of the Act.

#### **b. Community Service Obligation Policy**

As referenced in 1(a) above further refinements is to be made to the Community Service Obligation definition. Amendments to the new definition has been approved but yet to be reflected in the Act and implemented. CEMD has developed an implementation plan on the application of the revised CSO definition and its approval process.

#### **c. Classification Guideline**

Following approval by Cabinet in March 2020 in its FK (20) 20, CEMD implemented provisions of the FK where the following transition were noted.

- i. SIFA – PBB to PTB
- ii. LTA – PTB to PBB
- iii. GCA – PTB to PBB
- iv. ACC – PMB to PBB

Following approval of SIFA to become PTB, CEMD carried out consultations with SIFA on its transitional arrangements. SIFA and MPE agreed to use the FK as basis of transition from PBB to PTB (while awaiting amendments to legislation) and agreed to use the Jul-Sept 2020 quarter as a starting timeframe for performance review as a PTB. KPIS have been reviewed and policies pertaining to PTB monitoring have been consulted and agreed to with SIFA.

## **2. PTBs Compliance**

- PTBs compliance to policies and reporting requirements has improved in FY2021 compared to FY2020 as reflected on the KPIs above. All PTBs have complied with the timely submission of both quarterly and annual reports except for STEC and PAL.

### 3. PTBs Performance

- The audited April-June accounts 2021 reflects an aggregate NPAT of \$14.4m for the year ended 30<sup>th</sup> June 2021 as oppose to the overall net loss of \$2.9m incurred in FY ended 30<sup>th</sup> June 2020. Only 6 out of 15PTBs recorded net losses including DBS, EPC, PAL, SAA, SSS and STEC with 9 profitable PTBs contributing to the overall PTBs NPAT. The reclassification of SIFA to PTB has significantly contributed to the overall profitable result following its NPAT of \$21.8m.
- The following dividends were collected from respective PTB for FY 2019/2020 and FY 2020/2021. The dividend collection has significantly increased by 208% compared to previous year due to the increased collection of outstanding dividends from GCA and amendments for SPA dividend in 2015, final dividends from FY 20/21 and interim dividend for FY21/22. Another reason contributed to the increase in dividend collection is SIFA which is now reclassified as a PTB that has paid full interim dividend of \$7.2m.

	<b>PTBs</b>	<b>Actual FY 2019/20</b>	<b>Budget FY 2020/21</b>	<b>Actual FY 2020/21</b>
1	DBS	-	-	-
2	EPC	-	1,003,763.95	5,000,000.00
3	GCA	-	984,859.65	870,716.35
4	PAL	-	14,932,749.00	-
5	PTO	181,244.00	152,905.90	-
6	SAA	1,230,550.00	-	-
7	SHC	-	1,115,215.15	-
8	SIFA	-	7,295,548.99	7,295,548.99
9	SLC	1,600,000.00	1,643,615.40	1,000,000.00
10	SPA	1,985,172.35	6,828,919.25	5,216,115.50
11	SPL	196,593.60	42,223.85	-
12	SSC	711,142.70	90,946.70	64,812.20
13	SSS	87,909.85	-	-
14	SWA	203,733.42	-	-
15	UTOS	164,926.35	175,670.20	175,670.00
	<b>TOTAL</b>	<b>6,361,272.27</b>	<b>34,266,418.04</b>	<b>19,622,863.04</b>

- Dividend collection recorded for FY2020/2021 aggregates to \$19,622,863.24. Of this amount, 7% (\$1.3m) represents dividends from previous financial years, 31% (\$6m) represents outstanding dividends from FY 2019/20, 24% (\$4.8m) are final dividends deriving from April-June 2021 Net Profit after Tax (NPAT) of FY 2021 and 38% (\$7.3m) are the interim dividends derived from NPAT after the first six months (July-December 2020) of FY 2022.
- Estimated budgeted dividend submitted to MOF for the FY 2021 forward estimates was \$5million and further increased to \$8m after tabling supplementary budget. The first estimate of \$5m was based on outstanding collection from previous year but MOF has increased it to

\$8m without proper consultation. The \$34million budgeted above includes an outstanding dividend of \$14m from PAL.

- GCA has paid portion of its outstanding dividend by June 2021 with remaining balance to be collected in the next FY. Following reclassification of GCA to PBB, they will not be subject to dividend policy in the future years.
- LTA was approved by Cabinet in its FK (20)32 to be exempted from paying its outstanding dividend following prior approval by Cabinet on its road works and routine maintenance. Similar to GCA, LTA will not be subjected to Dividend policy following its reclassification to PBB.
- The Loss making PTBs for FY 2021 are DBS, EPC, SSS, STEC, SAA and PAL.

### **C. INITIATIVES & REFORMS**

Following the Cabinet approval in October 2020 on the Review of ROE and Dividend Policy, the Commercial Entity Monitoring Division was able to undertake and complete the preliminary phase of the following tasks.

- In April 2021, CM for Financial Management guidelines was rolled out to PTBs for their information and reports back any issues or comments associated.
- Proposed amendments of the Public Bodies Act 2001 were submitted to the Office of the Attorney General for review and endorsement. The amendments include the Change of CSO definition, clear CSO process, change in SCO process, change in SCO process, clear roles of Ministers, Amend differences in provisions of PBA and PTB enabling legislations, Change Corporate Period, Clear powers of MPE CEO. Furthermore, Section 5 of FK to review PTBs Income Tax is with Law Reform to review all PTBs legislations pertaining Income Tax Act.

Subsequent to the progress of tasks above, CEMD in the next 2 – 3 years plans to continue implementing another phase of FK including follow up of approved Changed of Public Bodies Act from AG, stocktaking of non-commercial activities undertaking by all PTBs that hindering their performance and the remodeling of the Statement of the Corporate Objectives.

### **Public Trading Bodies Initiatives/Projects**

#### **Development Bank of Samoa**

- A total of 395 loan applications valued at \$5.25million were approved by the end of FY2021.
- The total loan portfolio recorded as at 30<sup>th</sup> June 2021 amounts to \$140million.

#### **Electric Power Corporation**

- EPC continues the progress of ongoing works implemented focusing on 16 projects during the Financial Year including
  - Geographical Information System/Management Information System, Fuluasou Hydro Plant, Smart Metering Project, Fiaga Lightning Protection System, System protection study, Taelefaga and Afulilo penstock pipe & equipment refurbishment, Alaoa Multi Purpose Flood control dam, Tiapapata Hydro Plant, Underground 22kV from Malifa to Matautu Wharf, Additional diesel generators Upolu, Savaii Additional diesel power station and Renewable energy for Samoa (Grid Market).

### **Samoa Airport Authority**

- SAA's Tiavea Airport construction project has been suspended pending a decision by Cabinet.

### **Samoa Housing Corporation**

- A total of 876 new loans were approved within this FY at a value of \$22.2million.
- Total loan portfolio recorded as at 30<sup>th</sup> June 2021 aggregates to \$65million which exceeds budget by 2%.

### **Samoa International Finance Authority**

- SIFA's building project prefeasibility study report has been finalized to support the geotechnical investigatory report.

### **Samoa Ports Authority**

- Samoa Ports Authority continued its main focus for the Samoa Ports Improvement Project funded by ADB with commencement of construction phase by the approved contractor- China Harbour Engineering Company during the Financial Year.
- The Manono Jetty Project that was jointly funded by Government of Japan and Samoan Government was completed during Financial Year 2021.
- Approved contractor for reconstruction of the western eroded side Asau wharf was also completed within the FY.

### **Samoa Post Office**

- SPL and Western union are developing a new western union agency partnership for Tuasivi and Salailua District Post Offices for service accessibility for the Public.
- Co-location partnership with Samoa Commercial Bank at Salailua and Fagamalo District Post Offices – providing a full fledge banking service for the people around the area.

### **Samoa Shipping Corporations**

- Aleipata Slipway undergoes repairs particularly to the cradle to replace steel and wooden blocks that require changing.
- Lady Naomi class annual survey extension made which include repairs to all corroded and wasted items of the lifeboat davit- the device used to suspend boats.
- Completed work on the installation and shelter for the automatic mode of emergency generator at Mulifanua wharf.
- Work in progress for the scouring of MV Pasefika Express to prepare her for procurement.

### **Samoa Shipping Services**

- Total seafarers employed with the Mediterranean Shipping Company (MSC) as of 30<sup>th</sup> June totalled to 97. SSS progresses with recruitment and selection of local seafarers for overseas employment and numbers are expected to increase in the next financial period.

### **Samoa Trust Estate Corporation**

- Official launched ceremony for BIOMASS Gasification Project at Afolau was held in November 2020 with the Biomass project.
- Chainsaws and other safety materials for harvesting have already being procured under EUGIZ Project which costs up to \$20,000SAT.

### **Samoa Land Corporation**

- The Corporation has completed its new temporary market at Fugalei which cost \$467,127.

### **Samoa Water Authority**



- SWA has completed the new pipeline works of 1.9km for Fataloa a new town in Salelologa Savaii. Network upgrades for new pipelines works were also completed for Gataivai, Logoipulotu and Fogatuli. Moreover, boreholes with chlorination facilities were completed for Falelauniu and Fasitoo-tai. Unchlorinated to Chlorinate water supply has also completed for Vailele and Maagiagi.

#### **Public Trust Office**

- There were 31 new wills prepared and registered during the year. Whilst 9 wills were amended at the year ended 30<sup>th</sup> June 2021.
- A total of 26 new estates were opened within the year. However 26 estates were also closed during the year under review.

#### **Unit Trust of Samoa**

- Total number of unit holders for year ended 30<sup>th</sup> June 2021 stands at 3,828; a 16% increase compared to FY2020 due to the effectiveness of the Company's promotions held in Savaii in September 2021.
- An upgrade of the Unit Registry System Release 2.5.0 has been fully tested and rolled out in May 2021.

### **D. CHALLENGES & WAY FORWARD**

- Notwithstanding the several follow up measures undertaken by MPE (CEMD) to enhance timely submissions of reports from PTBs required under Public Bodies Act 2001, it is still a challenge with the 100% target not being met. Efforts by the team are ongoing to ensure that all reports are submitted on time.
- The approval of reform areas on PTB performance monitoring as mentioned above in FK (20) Special 36 warrants amendments to the Act 2001. There has been a delay in getting these amendments approved so there is no hindrance to implementation of reformed policies.
- Following MPE consultation with PTBs on strengthening Dividend Policy including Special Dividend as an additional dividend paid to Government based on the review on their cash and financial assets requirements, debt management, capital expenditure requirements and solvency test, it is still a challenge to undertake enforcement of this policy compliance since PTBs are continue to adapt to these new changes.

The table below outlines the challenges facing by the three main PTBs that have been most negatively impacted by Covid-19 Pandemic borders' lockdown and with their way forward to combat these prolonging effects.

<b>PUBLIC BODIES</b>	<b>CHALLENGES WITH COVID-19</b>	<b>RISK LEVEL</b>	<b>MITIGATING MEASURES/WAY FORWARD</b>
<b>DBS</b>	The closure of the international borders has significantly affected the tourism sector which holds		1. Government has provided stimulus package of \$2m for FY 2021 to support the bank and cover the shortfall from interest income

	67% of DBS's loan portfolio.		<p>especially large loan accounts under tourism industry.</p> <p>2. Made arrangement with local financiers for relief assistance on interest payment only to the bank's loans.</p>
<b>SAA</b>	Ports closure minimizes workload for the Authority which led to a decrease in revenue to fund operation. As a result, working hours for staff have been reduced and on call when required.		<p>1. Minimizing Working hours due to closure of Airports.</p> <p>2. Postponement of implementation of Ti'avea project.</p> <p>3. Control spending &amp; utilize term deposits to finance operation.</p>
<b>SSS</b>	Decrease in number of seafarers recruited by Mediterranean Shipping Co which is the major revenue for the Company.		<p>1. Manage Cash flow/ term deposits to finance operation.</p>
<b>PAL</b>	Closures of air travel for both Jet Operation and Small operation significantly decreased revenue to fund the Airline operation. This resulted to an increase in net loss incurred for the Company leading to a huge increase in staff turnover.		<p>1. Staff redundancy – including minimizing staff hours and reducing salaries to 50%.</p> <p>2. Utilizing Twin Otters to operate the local travel between Upolu and Savaii as well as American Samoa Chattered service.</p> <p>3. Government provided SAT\$1million capital injection to assist paying dues to local businesses while facing travel bans global crisis.</p> <p>4. Cabinet directives (21) 13 directed the</p> <ul style="list-style-type: none"> <li>a. Approval of additional loans guaranteed by the Government.</li> <li>b. Recapitalization of \$35 loan guarantee by Government equity into the Airline.</li> <li>c. Acquiring a TA to assist with capacity building.</li> </ul>
<b>EPC</b>	The Corporation assisted Government via stimulus package for Covid-19 this		<p>1. Control spending on core expenditures.</p> <p>2. Manage cash flow and term</p>

	financial year which included 50% reduction in the hotels' Daily fixed Rate for 3 months and \$0.10sene (3sene is paid by EPC) reduction in the price of electricity for 11 months. As a result, the Corporation recorded an unaudited Net loss at FY end. Moreover, the closures of businesses (including borders) as restrictions of the pandemic have led to the delay in projects implementation and completion.		deposits efficiently to fund unfunded CSOs and other business operation. 3. Enforce and improve follow up procedures of trade receivables.
<b>SHC</b>	The Corporation's participated in the Government's stimulus package to assist with its clients has an impact on the revenue collection of the Corporation as well as their profit. The assistances include moratorium on repayments and a major reduction on costs of borrowing for six months and also for rental payments.		1. Minimise loan approvals and disbursements. 2. Prioritize lending on essential housing development and on a need basis. 3. Defer all land purchasing applications. 4. Control non-essential expenses.
<b>SLC</b>	SLC has contributed to the Government's stimulus packages which cause an impact on its financial performance. This assistance resulted to SLC spending of close to \$1million tala.		1. Minimize spending on non-core expenses
<b>SPA</b>	Cancellation of cruise ships as one of SPA's main revenue streams is the impact of COVID19		1. Mitigate non-essential expenses 2. Improving existing and developing new Port infrastructure

	<p>experienced by the Authority.</p> <p>In addition to the challenges is the COVID19 response plan by the Government that required SPA to offer 3 months' rent free for all businesses operating on all wharves, 3 months' refund on all stevedoring licenses, and 20% reduction on all wharfage fees for 3 months.</p>		3. Revise tariff and charges
<b>SPL</b>	<p>Covid19 borders lockdown imposed impacts such as interruption of outbound and inbound international mails, termination of international business partners' mail operations and suspension of planned partnership agreements with international business partners that could have helped boost revenue capacity of SPL.</p>		<ol style="list-style-type: none"> <li>1. SPL continued to stringently monitor and control expenses</li> <li>2. Developing partnerships with local agencies for District Post Offices</li> </ol>
<b>SSC</b>	<p>The SOE orders through restriction of sailings between Islands of Upolu and Savaii to only three days a week and the limited number of passengers on board has caused a plunge in SSC's revenue.</p> <p>Moreover, the restrictions of international boarders particularly American Samoa allows Cargo trips only.</p>		<ol style="list-style-type: none"> <li>1. Manage cash flow and term deposits efficiently to fund business operation.</li> <li>2. Enforce and improve follow up procedures for trade receivables.</li> </ol>
<b>SWA</b>	<p>The stimulus package offered to assist with the public of 20% reduction in water tariff affected revenue</p>		<ol style="list-style-type: none"> <li>1. Minimize spending on non-core expenditures.</li> <li>2. Enhance collection measures to boost revenue to assist with</li> </ol>

	earned of the Authority.		SWA's cash flow.
<b>STEC</b>	There were no major impacts of Covid-19 lockdown on STEC's operation. However there are some areas that the Authority should consider given they are generating losses in the Financial Year.		<ol style="list-style-type: none"> <li>1. Prioritize cost controlled.</li> <li>2. Review other revenue avenues that possibly generate revenues in order to assist with the Corporation's cash flow.</li> </ol>
<b>PTO</b>	The covid-19 has less impact on PTO's operation. But the closure of some businesses especially in the tourism industry means people have lost their jobs and this reduction in overall salaries limits the marginal propensity to save and less is budgeted to spend on wills.		<ol style="list-style-type: none"> <li>1. The Office is looking to explore other marketing strategies like going out to the field and sell their products to the working community rather than waiting for people to come to their office for their services.</li> </ol>
<b>SIFA</b>	The closure of international borders limits the obligation of the Authority to participate in international seminars and conferences not only for promotional and sponsorship commitments, but to maintain its membership and stay abreast of the development in the world.		<ol style="list-style-type: none"> <li>1. The utilization of online/virtual awareness marketing has kept the Authority in the loop of what's going on in this ever changing world with technology advancement.</li> </ol>
<b>UTOS</b>	There were no major impacts on UTOs performance during the covid-19 restrictions.		<ol style="list-style-type: none"> <li>1. The Company continues to operate normally by control spending and increase revenue for improved profit results in forthcoming years.</li> </ol>

## MUTUAL & BENEFICIAL MONITORING DIVISION

### A. OVERVIEW

Policy development has been the main focus of the Mutual and Beneficial Monitoring Division (MBMD) for the reported period. This goes in parallel with providing sound advice to enhance compliance, financial sustainability and the service delivery of Public Beneficial & Mutual Bodies. Mutual Bodies are statutory authorities that operate as Public Trading Bodies and are mandated to be profitable. They are required to pay dividends to its contributors and policy holders. Beneficial Bodies on the other hand are service providers and not for profit purposes.

MPE conducted a thorough review of the classification of all Public Bodies according to a set of criteria's that have been developed for each category. As a result, SIFA has been reclassified as a Public Trading Body from a Public Beneficial Body. LTA and GCA have been reclassified as Public Beneficial Bodies from Public Trading Bodies, and also ACC has been reclassified as a Public Beneficial Body from the Mutual Bodies.

Following the reclassification exercise, 12 Public Bodies (PBs) are now under the MBMD's oversight of which 2 are Mutual Bodies (SLAC and SNPF) and 10 are Beneficial Bodies (ACC, GCA, LTA, NKFS, NUS, SFESA, SQA, SROS, SSFA and STA).

### FY 2020-2021 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2020-2021 Budget	2020-2021 Actual	Progress Indicator	Comments
Mutual Societies and Beneficial Bodies' Quarterly Report submitted on time (1 month after every quarter)	90%	67%		Average of 67% compliance for the 4 quarters: (Jul-Sept 2020 = 82%, Oct-Dec 2020 = 67%, Jan-Mar 2021 = 67%; Apr-Jun 2021 = 50%)
Mutual Societies and Beneficial Bodies' Annual Report submitted on time (4 months after every Financial Year)	80%	58%		All the 12 Mutual and Beneficial Bodies submitted AR 2020 to MPE. 7 out of 12 ARs submitted as per due date.
Percentage of New Corporate Plans approved by Responsible Minister by 30th June 2021	80%	67%		All the 12 Mutual and Beneficial Bodies submitted draft CP 2021-2024 and have been reviewed by MPE. 8 out of 12 CP have been approved by Minister.

Investment Policy for Mutual Bodies endorse by Cabinet	30 <sup>th</sup> June 2021	-		Draft Investment Policy is in place
Develop New and reclassified Vacancies Framework	30 <sup>th</sup> June 2021	-		Developed a draft Framework. However, following comments/feedback from Public Bodies, the draft Framework has now been redeveloped as a Policy Guide
Develop Risk Assessment Framework for Beneficial & Mutual Bodies	30 <sup>th</sup> June 2021	-		Draft Risk Assessment Framework is in place

## B. ACHIEVEMENTS

### Compliance:

- It has been more than a year now since Samoa has declared a “State of Emergency” due to the COVID-19 pandemic. The impacts of the Global pandemic have contributed to the underachievement of some of the reporting targets for the reviewed period. Despite that, the level of compliance of Mutual and Beneficial Bodies to mandated reporting requirements has improved if compared to past years.
- All of the 12 Mutual and Beneficial Bodies have submitted their draft Corporate Plans for 2021-2024 and have been reviewed by MPE. 8 out of the 12 reviewed Corporate Plans have already been endorsed by Shareholding Ministers and have been submitted to Cabinet for approval. Minor edits and amendments are to be made on the remaining Corporate Plans before it will be finalized and approved.

### Financial Performance:

- Mutual Bodies recorded a Net Profit of \$89.2 million, an increase of 13% compared to 2020, complemented by an average current ratio of 56.26:1. Exceptional performance from SNPF accounts for the improvement given the removal of ACC in Mutual Bodies in 2021.
- Beneficial Bodies reported an aggregated surplus of \$25.8 million, a 30% increase compared to 2020. Reclassification saw the inclusion of ACC, GCA and LTA in the accounts of Beneficial Bodies for 2021.
- SROS, SSFA and LTA are the only Beneficial Bodies with reported deficits for 2020.
- The loss of SIFA largely affected the surplus by Beneficial Bodies, as at least 88% of the 2021 aggregated surplus is equivalent to the net profit reported by SIFA alone in 2020. The same effect is also visible in Cash Flow balance, reporting a 12% decrease.
- Government grant increased by 51% compared to 2020, the addition of LTA accounts for the large variance. Allocation of government funding for Beneficial Bodies have all increased in 2021.
- SNPF declared an annual dividend of 9.1% at the value of \$64million for 2020. The annual dividend was split into four parts:

- Special Dividend 1.1% payout in December 2019,
- Annual Dividend 3% credited to members accounts and Special Dividend 2% cash payout in June 2020,
- Special Dividend 1.5% cash payout in November 2020,
- Special Dividend 1.5% cash payout in March 2021.

For 2021, the Fund declared its annual dividend of 8% for its members totaling at \$61.7 million, of which 50% be paid in cash and the rest to be credited to member contribution accounts. This amount is 4% slightly lower compared to dividend payout in 2020.

The following are some of the major output performance measures for the Mutual and Beneficial Bodies:

Public Body	Performance Measures	2020	2021	Comments
SLAC	# of Surrenders # of New Policies Premium Collection Total Claims Payout	399 2,220 \$7,305,361 \$6,983,273	354 1,787 \$7,898,498 \$7,074,487	Total Claims payout increased compared to 2020 despite decrease in Number of Surrendered policies, and Premium Collection increased by 8% even with 20% drop in Number of New Policies in 2021.
SNPF	Annual Dividend Value of Annual Dividend Total Active Members Registered Employers	9.1% \$64million 33,182 1,960	8% \$61.7million 32,337 1,964	Value of annual dividend decreased by 4% compared to 2020. The number of active members decreased compared to 2020 mainly due to impact of the COVID-19 pandemic.
ACC	# of claims processed # of new Rehab patients Members Contributions <u>Assets</u> - Properties - Financial	239 13 \$12,486,089 \$30,649,826 \$115,395,288	240 45 \$12,054,763 \$29,997,294 \$109,102,856	Claims mirrors 2020, although severity has worsened as per new rehab patients. ACC investments assets slowly declined due to COVID, but nevertheless are still excellent in value
GCA	Revenue from licenses Casino revenue Pay-outs	n/a	\$77,565 \$215,926 \$7million	GCA was classified as a Public Trading Body in 2020 and it was officially transferred as a Beneficial Body in 2021.
LTA	Road Constructions Zone maintenance Lawn mowing contractors Drainage maintenance	n/a	Ongoing	LTA was classified as a Public Trading Body in 2020 and it was officially transferred as a Beneficial



				<p>Body in 2021.</p> <p>The constructions of roads have been ongoing together with road maintenance, lawn mowing as well as drainage works.</p>
NKFS	<p>Medical screenings</p> <p>Secondary Treatments</p> <p>Tertiary Treatment patients</p> <p>New Patients</p> <p>Deceased Patients</p>	<p>1,562</p> <p>428</p> <p>135</p> <p>50</p> <p>17</p>	<p>2,012</p> <p>655</p> <p>155</p> <p>50</p> <p>26</p>	<p>Primary treatments improved compared to 2020.</p> <p>Completion of its refurbishment works, pending borders closure will enable a more effective performance in terms of capacity per dialysis machines</p>
NUS	<p># of enrolment</p> <p># of graduates</p> <p>Student Fees</p> <p>Government Grant</p> <p>Surplus/(Deficit)</p>	<p>5,839</p> <p>1,242</p> <p>\$9,871,837</p> <p>\$11,355,636</p> <p>(\$2,423,254)</p>	<p>6,618</p> <p>1,192</p> <p>\$11,233,664</p> <p>\$16,676,808</p> <p>\$3,627,197</p>	<p>Peak in Enrolments in 2021 is reflected by maxed-out Student fees which also translate into highest Surplus ever recorded at a year end.</p>
SFESA	<p># of Fires attended to</p> <p>Ambulance response</p> <p>False Alarm cases</p> <p>Government grant</p>	<p>376</p> <p>2,452</p> <p>105</p> <p>\$6,782,632</p>	<p>256</p> <p>2,840</p> <p>119</p> <p>\$8,400,864</p>	<p>Fire incidents decreased compared to 2020 whilst False alarms increased by 13% and Ambulance service reached its peak in 2021. 24% growth in Government grant has greatly contributed in the operation of these services.</p>
SQA	<p>PSET providers registered</p> <p>Registered Qualification on SQF</p> <p>Accredited courses/programmes</p>	<p>25</p> <p>102</p> <p>49</p>	<p>25</p> <p>113</p> <p>55</p>	<p>No new registered providers in 2021. Functions such as accreditations, registrations, audits and courtesy visits to PSETs are on-going for continuous improvement to current education standards</p>
SROS	<p>Government Grant</p> <p>Research Projects</p> <p>Commercialization Arm</p>	<p>\$3.5million</p> <p>Ongoing</p> <p>Approved by Cabinet</p>	<p>\$3.9million</p> <p>Ongoing</p> <p>In progress</p>	<p>Government Grant increased by 0.4million in 2021.</p> <p>SROS has continued to provide ongoing research with the primary aim of adding value to our local resources and services.</p> <p>SROS has also set up its commercial arm to commercialize the</p>

				Organizations value added products and prototype.
SSFA	Occupancy rate of Facilities Maintenance cost Operating Revenue Operating Expense	20% \$143,411 \$1,992,678 \$2,020,303	33% \$142,843 \$2,654,943 \$1,928,423	Occupancy rate of Facilities has increased whilst total cost associated with its maintenance decreased compared to 2020. Operating Revenue (incl. Government grant) was sufficient to fund Operating Costs compared to 2020.
STA	Total visitor arrivals Number of VFR Visitor earnings	124,399 44,031 \$375,3million	-	No visitors for 2021 due to border closure for the COVID-19 pandemic. However, the main focus of the Authority was on domestic tourism and ensuring the industry is prepared for a time when borders reopened.

### C. INITIATIVES & NEW POLICIES

- Further improvements have been incorporated in our reporting framework and performance measures for Mutual and Beneficial Bodies. It includes the addition of focus areas for risk assessment and risk management as well as the refinement of performance measures for some of the Public Bodies. This has enhanced the quality of information and recommendations reported to Shareholding Ministers and not only that; it has also widened our monitoring role on risk analysis for all the individual Public Bodies.
- The draft Investment Policy has already been developed to assist and guide the investment decisions of Public Bodies. The relevant Public Bodies will be consulted on the policy when all the required templates and forms have been finalized.
- A “New/Reclassified Vacancies Framework” has also been developed to guide and monitor the creating of newly created vacancies by Public Bodies as per Cabinet Directive FK(19)46. However, as a result of constructive comments and feedbacks from the Public Bodies, the draft Framework has now been redeveloped more towards a Policy Guide to suit the current situation of Public Bodies.
- A detailed “Risk Assessment Framework” for Mutual and Beneficial Bodies has also been drafted to further improve the quality of our assessment of Public Bodies.

### D. REFORMS

- The reclassification of Public Bodies as mentioned earlier has been fully realized in the reviewed financial year. This includes the official transfer of the Samoa International Finance Authority as a Public Trading Body, the Land Transport Authority and Gambling Control

Authority as Beneficial Bodies, and the Accident Compensation Corporation as a Beneficial Body.

- The Traffic Division that was under the Land Transport Authority has been transferred under the Ministry of Police. This includes services such as vehicle registrations, licensing and road use management.
- The Agriculture Research Division that was under the Ministry of Agriculture has now been transferred under SROS for better alignment of its research services.
- SROS has also added onto its capacity the ability to test for COVID-19 and other invasive pathogens such as the African Swine Fever (ASF). The Organization has received Real Time – quantitative Polymerase Chain Reaction (RT-qPCR) equipment, the appropriate analytical equipment that offers diagnostic molecular testing not only for COVID-19 but other pathogens.
- Discussions are still ongoing for the Sports Division of the Ministry of Education Sports and Culture to be transferred under the Samoa Sports Facility Authority.

## **E. CHALLENGES & WAY FORWARD**

- As alluded to earlier, the formulation of the New and Reclassified Vacancies Framework that has now been redeveloped as a Policy Guide has been a challenge. The different perspectives and mixed reactions of Public Bodies on how the proposed draft Framework will impact their current processes had led to the redevelopment of the “New and Reclassified Vacancies Policy Guide”. It is in the pipeline that the Policy Guide will be finalized in 2022.
- Implementing the reclassification of the GCA, LTA and ACC as Beneficial Bodies has expanded the Division’s monitoring role and scope of work compared to its limited number of staff. Specific Performance Measures have also been redefined for each of these Public Bodies to ensure our monitoring role is in line with each of the reclassified categories.
- Moreover, the lack of disclosure in Reporting Framework by the Mutual and Beneficial Bodies have been an ongoing challenge for the team. The team is continuing to research on ways to improve and lift the quality of our reporting and advice to Shareholding Ministers.
- Despite all the challenges, the team is confident that the close collaboration with the Public Bodies will ensure the achievement of set targets for compliance, financial sustainability and service delivery going forward.

## PUBLIC PRIVATE PARTNERSHIP & PRIVATISATION DIVISION

### A. OVERVIEW

The PPP and Privatization Division continue to promote the PPP and Privatization concepts, as well as ongoing identification and planning for potential candidates as part of its key policy implementation. The divisional goal is to ensure that key potential PPPs and privatization programs are effectively identified, planned and implemented accordingly to assist in strengthening both Public and Private sectors services.

### FY 2020-2021 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2020-2021 Budget	2020-2021 Actual	Progress Indicator	Comments
Identify future PPP or Privatization candidates	100%	100%		Potential PPPs for SLC and SSC were identified, with completion of preliminary assessment and consultations. However, they were put on-hold due to covid19 lockdown impacts.
Conduct required assessments for the Identified PPP or Privatization candidates, for Cabinet approval	100%	50%		Business plans for SLC and SSC potential PPPs were also completed. However as highlighted above, they were put on-hold.
Implement PPP or Privatization options if approved by Cabinet	50%	30%		Cabinet approved in FK(20)20 of 27 <sup>th</sup> May 2020, the privatization/PPP for SPL reserves operations. The required actions were completed, including the action plan approved by the PPP Steering Committee, consultations with key stakeholders, and recruitment of TA for SPL valuation. The valuation for SPL was postponed until its accounts for FY 2020-21 is completed.

Review existing PPP and Privatization policies and guidelines	100%	100%		Review was completed.
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## B. ACHIEVEMENTS

- As highlighted earlier, Cabinet approved in its FK(20)20 dated 27<sup>th</sup> May 2020 the privatization/Public Private Partnership for Samoa Post Limited's reserves operation. The action plan was approved by the PPP Steering Committee to guide the program, expected to be completed in June 2023. Two sets of awareness programs for public officials were conducted. The first one was a three half day program for senior managers of all Public Bodies on 2<sup>nd</sup> -4<sup>th</sup> February 2021, and the second one was a one full day for senior officials of all Ministries on the 2<sup>nd</sup> March 2021. The aim was to continue enhancing the awareness of public officials on the concept of PPP in terms of its benefits and appropriate applications to their respective organizations.
- The business plans and required consultations for potential PPPs for Samoa Land Corporation and Samoa Shipping Corporation were completed. However, they were put on hold due to covid19 lockdown impacts. Researching and findings were continued for next potential PPPs, but have been slowly progress due to the covid19 lockdown impacting private sector developments both local and international.
- The draft Corporatization policy was completed. The purpose is to develop a policy to guide Government, when dealing with its corporatization program.

## C. INITIATIVES & REFORMS

- Developing a Corporatization policy to guide Government in terms of its corporatization program.
- Improving alignment of PPP systems with the Ministry of Finance planning, procurement and aid & debts systems. This will improve major capital projects coordination, to ensure any project is screened in terms of PPP suitability or otherwise, before entering the Cabinet Development Committee. Review existing policies to reflect on the issues and lessons learnt which have been experienced locally and internationally, since its implementation in 2017. This will be in parallel with the above systems alignment with the Ministry of Finance, and any other related policies such as the National Industrial Development Policy (NIDP) by MCIL and Co-financing framework by UNDP etc. It will also be an opportunity to explore a need for PPP legislation. Furthermore, the building of the policy to meet the priorities set by Government in terms of community developments.

## D. CHALLENGES & WAY FORWARD

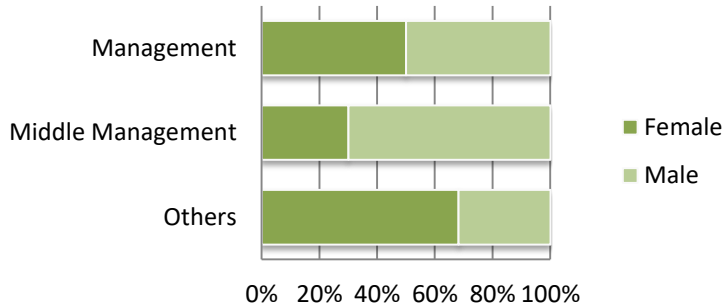
- The challenge is still the inadaptability and unreceptiveness of the PPP concept by the Public Sector, in relation to their respective services and operations. This continues to reflect the complexity of PPP arrangements, as well as difficulties of changing mindsets from the traditional procurement method. As highlighted above, the division will be closely looking into its existing

policies and systems, and see how to extend them with other policies and systems for the purpose to enhance compliance and response from Ministries and Public Bodies, as well as private sector to the concept of PPPs. Conducting awareness and consultation programs will also continue.

- The team will also continue to look at the most appropriate and viable PPP or Divestment options that will assist in improving the private sector developments and in the same time strengthen the public service delivery.

## HUMAN RESOURCE REPORT

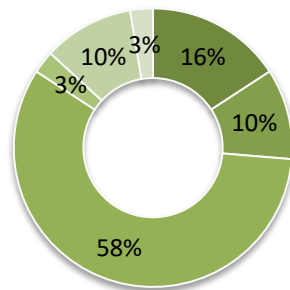
### Total Workforce by Gender & Classification



At the end of June 2021, 100% of the total approved positions for the organizational structure are occupied. The majority of positions are categorized at Officer and senior level (67%) with the minimum occupied by middle and senior management level (43%). A gender balance signified at the senior management level despite the female gender outnumbers the total workforce.

### Qualification

■ Certificate ■ Diploma ■ Bachelor ■ Post Grad Diploma ■ Master ■ PhD



The majority of the staff is mainly between the age of 20-30years (45%) and 31-40years (34%) whereas less than 20% is from 41-50age group. These figures implied a young and vibrant workforce.

The workforce is filled with 55% of first degree

holders which is an essential criterion for all positions within the organization. A total of 16% holds postgraduate degrees and 3% for Doctorates. These qualifications directly relate to the required knowledge and skills in areas of Accounting, Economics, Public Policy, Public Administration, Business Management, Human Resource and Information and Technology needed for the performance the organizational functions. The remaining 26% uphold Diplomas and Certificates are mainly employed to provide support services via administrative, secretariat, records managements, transport and customer services.

## STATEMENT OF REVENUE AND EXPENDITURE

### Statement of Ministry Receipts by Reporting Category and Expenditure by Output Appropriation Accounts Financial Year ending 30<sup>th</sup> June 2021.

	Notes	2021	Original Estimate	Final Estimate	(Over)/Under	2020
PUBLIC ENTERPRISES		\$	\$	\$	\$	\$
<b>RECEIPTS</b>						
<b>Ordinary Receipts</b>						
Income From Investments						
Dividends (from Commercial Entities)		19,508,720	5,000,000	9,528,009	(9,980,711)	6,361,272
<b>TOTAL RECEIPTS</b>		19,508,720	5,000,000	9,528,009	(9,980,711)	6,361,272
<b>PAYMENTS</b>						
<b>Outputs</b>						
1.0 Policy Advice to Minister	1	329,593	295,739	329,908	315	281,927
2.0 Ministerial Support		295,054	332,444	288,318	(6,736)	327,325
3.0 Commercial Entities Monitoring Division		482,413	486,198	480,612	(1,800)	468,012
4.0 Public Bodies Governance Division		452,887	459,588	453,512	625	414,566
5.0 Mutual and Beneficial Bodies Monitoring Division		339,343	340,275	339,789	446	312,176
6.0 Public Private Partnership and Privatisation Division		394,830	392,215	393,717	(1,113)	363,775
<b>Total Outputs</b>		2,294,120	2,306,460	2,285,857	(8,263)	2,167,781
<b>Transactions on Behalf of State</b>						
Government Policies / Initiatives						
Rents & Leases - FMFM II Building		37,450	37,450	37,450	(0)	37,250
Rents & Leases - SNPF Plaza		354,634	356,543	356,543	1,909	254,070
Independence Selection Committee		62,341	73,500	73,500	11,159	65,720
Office Relocation		0	0	0	0	33,326
		454,425	467,493	467,493	13,068	390,365
VAGST Output Tax		76,339	114,340	103,495	27,156	72,012
<b>Total Transactions on Behalf of State</b>		530,765	581,833	570,988	40,223	462,377
<b>TOTAL PAYMENTS - PUBLIC ENTERPRISES</b>		2,824,885	2,888,293	2,856,845	31,960	2,630,158
<b>RECEIPTS OVER PAYMENTS</b>		16,683,835	2,111,707	6,671,164	(10,012,671)	3,731,114
<b>Notes</b>						
1	Unspent funds of \$42,000 have been transferred into a Special Account reported under Schedule 12, to be utilised in new financial year 2021 for the payment of Technical Advisor from late June to July 2021 as per Cabinet Approval FK (20)20.					
2	This is an un-audited financial statement					



## ANNEX: PUBLIC BODIES FINANCIAL RESULTS

PUBLIC TRADING BODIES												
	Revenue		Expenses		NPAT (Net Loss)		ROE		Cash Flow Balance		Equity	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
DBS	9,452,378	5,552,605	7,155,691	6,473,313	-402,599	-3,391,290	-0.68%	-5.50%	3,816,334	4,572,387	59,076,531	61,627,663
EPC	132,290,937	111,186,049	131,458,609	112,667,102	1,176,057	-1,481,053	0.21%	-0.85%	51,521,171	64,168,077	550,936,730	331,896,475
PAL	n/a	3,836,458	n/a	9,759,266	n/a	-5,922,808	n/a	27.14%	n/a	113,140	n/a	-21,822,859
PTO	1,320,216	1,281,599	1,010,776	1,054,521	436,874	387,491	3.99%	7.14%	9,301,874	9,539,033	5,179,259	5,424,740
SAA	22,013,023	7,712,042	22,026,196	19,585,597	-13,173	-11,873,555	-0.02%	-26.20%	10,308,543	3,098,332	57,297,915	45,388,137
SHC	8,020,337	8,634,641	6,079,109	6,389,656	2,123,228	2,244,985	6.04%	6.09%	6,279,380	6,905,328	35,126,712	36,835,952
SIFA	30,161,628	28,035,772	7,458,303	7,379,538	22,703,325	20,656,234	23.46%	21.54%	60,454,078	64,133,778	96,755,386	95,910,156
SLC	13,193,183	13,899,832	8,425,947	8,966,511	3,480,081	4,933,321	10.40%	10.24%	10,756,950	17,143,764	45,840,088	48,180,949
SPL	2,311,293	2,177,963	2,387,238	1,893,806	15,235	251,649	0.41%	7%	18,729,071	4,388,209	3,705,539	3,969,430
SPA	21,065,276	24,092,420	13,466,713	14,998,853	7,598,563	9,093,567	2.71%	5.90%	5,641,478	7,074,578	148,475,722	154,386,541
SSC	20,593,907	20,875,323	20,593,907	20,521,523	332,692	353,800	0.78%	0.83%	16,834,875	9,157,923	42,526,786	42,731,008
SSS	2,716,111	1,608,213	1,871,870	2,917,340	-552,397	-1,109,440	-48.55%	-44%	1,343,808	994,900	1,137,873	621,590
STEC	507,063	1,032,969	2,605,951	4,867,374	-2,098,888	-3,834,405	-4.98%	-9.59%	-447,121	41,171	42,138,570	39,978,181
SWA	29,006,241	32,076,762	28,430,884	30,812,618	44,074	752,379	0.02%	2.35%	18,288,155	21,469,488	197,437,668	205,661,701
UTOS	1,977,055	2,177,437	1,494,888	1,601,915	482,167	575,522	18.25%	19.08%	2,473,639	2,593,457	2,642,210	3,016,299
TOTAL	294,628,648	264,180,085	254,466,082	249,888,933	35,325,239	11,636,397	2.742053	1.104226	215,302,235	215,393,565	1,288,276,989	1,053,805,963

• Audited Results 2021

• YTD April-June 2021 Results

MUTUAL AND BENEFICIAL BODIES												
	Revenue		Expense		NPAT		Current Ratio		Cash Flow		Government Grant	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
SLAC	13,072,503	12,856,017	11,455,220	11,482,272	1,329,232	1,099,105	7.7	8.5	1,351,171	2,856,586	-	-
SNPF	67,072,226	97,957,000	7,220,890	12,311,438	59,851,336	85,645,562	21	111	37,573,503	55,426,848	-	-
ACC	22,634,087	22,248,080	5,294,510	6,121,876	17,339,577	16,126,204	40.9	35	103,438,155	99,975,035	-	-
NKF	7,882,361	8,213,221	7,423,140	8,125,699	459,221	87,523	11.06	10.42	2,562,063	1,341,660	7,557,844	7,934,092
NUS	23,845,512	30,307,691	26,268,766	28,117,376	-2,402,960	2,235,582	0.7	1.5	-68,522	4,724,580	11,355,636	16,676,808
SFESA	7,905,179	9,679,901	7,803,778	8,599,119	101,401	1,080,782	8.86	7.9	1,906,505	2,616,270	6,782,632	8,400,864
SIFA	30,161,628	-	7,458,303	-	22,703,325	-	36..52	-	60,454,078	-	-	-
SQA	4,729,277	5,079,560	4,510,375	4,959,368	218,902	120,193	5.99	4.66	1,702,955	427,214	3,155,555	3,236,484
SROS	5,039,864	8,132,484	5,301,454	6,744,437	-261,587	-1,388,047	0.9	0.411	3,046,907	130,575	3,468,341	4,627,284
SSFA	4,370,793	5,779,792	6,358,605	5,371,642	-1,987,812	408,150	0.02	0.01	-99,898	-63,897	1,851,807	2,021,392
STA	13,735,902	14,144,766	12,752,578	8,062,772	983,324	6,081,994	1.41	18.6	1,980,809	6,424,603	13,263,582	12,545,230
GCA	-	11,344,162	-	9,699,755	-	1,644,407	-	3.62	-	1,443,421	-	-
LTA	-	50,805,902	-	53,245,042	-	-2,439,140	-	1.25	-	12,379,553	-	17,031,981
TOTAL	200,449,332	276,548,576	101,847,619	162,840,796	98,333,959	110,702,315			213,847,726	187,682,448	47,435,397	72,474,135
<div></div> <div>• Unaudited April - June YTD results</div>												