



MINISTRY FOR PUBLIC ENTERPRISES

ANNUAL REPORT 2019

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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)

31 October 2019

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 30th June 2019. .

The Annual Report highlights key milestones achieved during the financial year which focused on reviewing Composition for Board of Directors, policies relating to improved performance and the continuous capacity building of staff.

Ma le faaaloalo lava,

A handwritten signature in black ink, appearing to read 'Lautafi Fio Selafi Purcell', written over a large, light-colored circular stamp or watermark.

Lautafi Fio Selafi Purcell

MINISTER OF PUBLIC ENTERPRISES

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ACRONYMS

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

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

MINISTRY OVERVIEW

The Ministry for Public Enterprises is mandated under the Public Bodies (Performance & Accountability) Act 2001 with our role to provide sound advice to Shareholding Minister on the performance of all Public Bodies. To support our role the Ministry works collaboratively with other Government oversight agencies in Monitoring and evaluating performance of Public Bodies. It is our responsibility to ensure that all Public Bodies corporate strategies are in line with the Samoa SDS 2017-2020 and support the formulation of the new Samoa 2040 Plan as Samoa's strategic approach for the next 20 years.

The Ministry wishes to highlight the following achievement for the financial year under review:

- Cabinet endorsement of the review of the Composition of Boards of Directors for all Public Bodies.
- Implementation of the Revised Return on Equity and Dividend Policies of Government which has resulted in the significant increase in dividend collection of \$15m for current FY.
- Completion of Business plans for identified candidates for Public Private Partnerships.
- Transitional merge of the NHS and the MOH which reduces aggregated fiscal transfers to Public Beneficial Bodies.

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 Ministry is responsible for achieving the following outcomes as stipulated under its Corporate Plan 2017-2020;

- To foster full compliance by Public Bodies with the legislative and policy frameworks approved by Government for the SOE sector.
- For Public Bodies to deliver services that are of high standard and efficient to the public.

- For Public Bodies to provide an economic and social return on the investment that Government has made into their operations.

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.

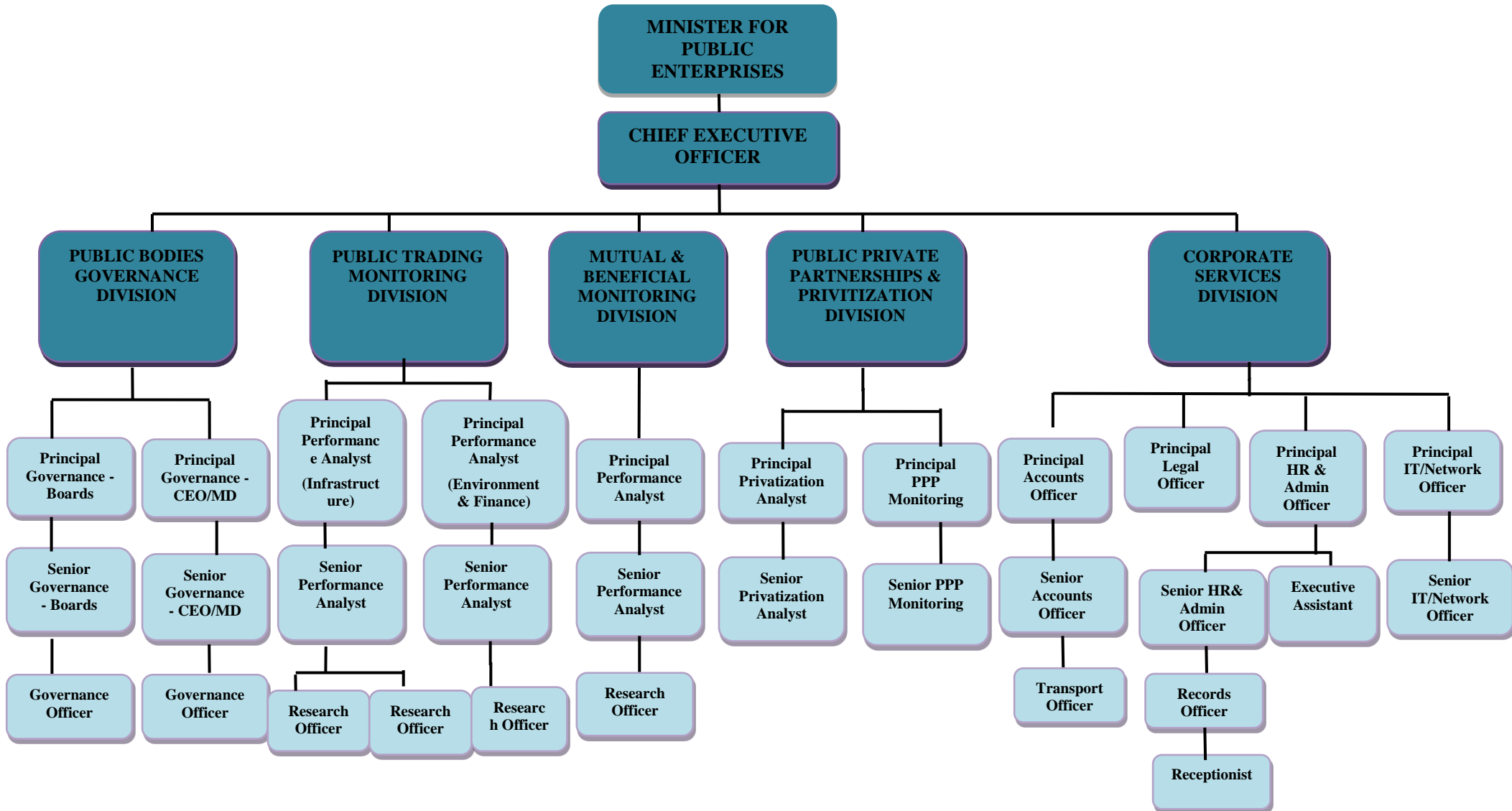
Mandate: The principal legislation guiding the work of the Ministry is the Public Bodies (Performance & Accountability) Act 2001. The following are other legislations and Acts governing the Ministry:

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

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.

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 2018-2019 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2018-2019 Budget	2018-2019 Actual	Progress Indicator	Comments
Percentage/number of Board Director positions advertised/recruited and Director appointments made	90%	90%		7 Directorship appointments were made. Appointments were made in response to vacancies arising due to resignations, untimely deaths and re-assigning based on Cabinet priorities.
Percentage/Number of annual performance reviews of Board Directors conducted/completed	80%	80%		Major Performance Evaluation of Boards & Directors was conducted April – May 2019 and final Report submitted to Minister in June 2019.
Percentage/Number of monitoring & evaluation reviews completed of Public Bodies GM/MD/CEOs in accordance with criteria of recruitment & selection	80%	50%		Both the Recruitment & Selection Guidelines and the Performance Management Framework for Public Body CEOs/GMs have been finalized. Last consultations held on the 19 th February 2019 with PB CEOs & GMs with their feedback incorporated into the final drafts. Expected to go to Cabinet in September 2019.
Percentage/Number of meetings held by	90%	90%		3 ISC meetings held and 2 working group meetings to complete the

the Independent Selection Committee (ISC)				Board Composition Review that was submitted to Cabinet in April 2019.
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B. ACHIEVEMENTS:

- 12 Director Database reports submitted to Management, Minister and the Independent Selection Committee
- Composition Review completed and approved by Cabinet (30th April 2019). The Review re-defined the experience & competencies required by Directors for each Board, reduced the number of Directors from seven (7) to a maximum of five (5) and minimum of three (3) and has removed the majority of ex-officio's.
- Performance Evaluation of Public Body Boards & Directors completed. A survey tool was used. A total of 141 Directors, 26 Chairs and 26 Public Body CEOs/GMs survey firms were distributed with the following responses:
 - Directors – 108 completed (76%)
 - Chairs – 20 completed (77%)
 - PB CEOs/GMs – 23 completed (88%)

The performance evaluation has set benchmarks for Board governance (67%), processes (69%) and functions (68%) that the Ministry can now use to guide its interventions for strengthening Board performance.

- Division involved in the last three Professional Development Training Workshops for New & interested Directors held by the Samoa Institute of Directors. Presented sessions on Duties & Responsibilities of Directors.

C. INITIATIVES & REFORMS:

- Letter of Offer to new Directors has been revised to better define what is expected of Directors in the exercise of their duties.

D. CHALLENGES & WAY FORWARD:

- There are 113 Director's completing their terms in July 2019. A major R&S process is anticipated for the new financial year (July – August 2019). A work plan has been developed, advertisements prepared and information on the new experience and competencies is being developed to assist those interested in applying. The Office of the Attorney General is currently working on the legislative amendments that need to be in place for the revised composition.
- With close to 90 new Director appointments anticipated orientation/ induction and capacity training for Directors on their duties & responsibilities will be a priority. The Directors Handbook is being printed and will be distributed to all Directors once Cabinet has approved the new appointments.

COMMERCIAL ENTITIES MONITORING DIVISION

A. OVERVIEW

The Commercial Entities Monitoring Division (“CEMD”) is responsible for the effective and efficient monitoring of Public Trading Bodies (“PTBs”) listed in Schedule 1 of the Public Bodies (Performance and Accountability) Act 2001 (“The Act”). The divisional goal is to enhance PTBs’ compliance to the Act, profitability, financial sustainability and service delivery.

FY 2018-2019 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2018-2019 Budget	2018-2019 Actual	Progress Indicator	Comments
Percentage of Commercial Entities' Quarterly Report submitted to MPE one month after every quarter	90%	88%		On average, 88% of PTBs submitted their QRs on time and were included in the Overall quarterly Reports to Cabinet.
Percentage of Commercial Entities' Annual Report submitted to MPE four months after end of FY	80%	50%		8/16 PTBs submitted their annual reports 2018 on time. Other reports were delayed due to incomplete audit. Despite delayed submission, all audits have been completed for 2018 PTB annual accounts to date.
Percentage of Commercial Entities complying to Dividend Policy	85%	94%		94% complied. This includes PTBs who have submitted solvency tests to support inability to pay dividends as per Dividend Policy.
Revised ROE & Dividend	31 July	8 August		Policies approved and effective

Policies approved by Cabinet for implementation	2018	2018		on 1 July 2018.
Mid-term review of Commercial Entities Corporate Plans	31 December 2018	31 December 2018		All PTBs have completed mid-term reviews except for SPA which is developing a new Corporate plan and STEC that has a 10 year strategic plan
CSO Policy reviewed, endorsed and implemented	31 July 2018	16 January 2019		CSO Policy approved with further amendments need to be made to CSO definition in the Act.

B. ACHIEVEMENTS

1. Policies

- The implementation of the Revised Return on Equity (ROE) and Dividend Policies came into force on 1st July 2018.
 - The approved policy provide increased flexibility for Public Trading Bodies (“PTBs”) by reducing the mandatory dividend to a minimum of 35% of Net Profit after tax with an additional Special Dividend based on the PTB’s ability to pay.
 - One on one consultation with PTBs on revised policies was successfully completed in the second quarter of the current FY. Improved processes on accounting for dividends subsequently adopted by the PTBs to better assess their ability to pay.
 - The change of financial reports where interim and final dividend is calculated from Corporate Plans and Audited Accounts have been modified to using Quarterly Reports. The transitional change was not only to encourage integrity of quarterly financial reports submitted from PTBs but additional value added into earlier determination of dividend payable to Government rather than awaiting audited accounts.
 - To further support the dividend policy implementation the division reviewed solvency test supporting information from three (3) PTBs (SLC, GCA and LTA) to better assess their ability to pay the minimum dividend. PTBs were also provided with the flexibility to provide capital projects business plans should dividend payments be used to finance any planned short term projects.

- The CSO policy review carried out in the last FY 2017/18 was approved by Cabinet in January 2019. Notwithstanding its approval stage, there were further reviews to the policy as to the applicability and relevancy of including the objective of “alleviating hardship in Samoa” in the CSO definition. The roll out implementation of the revised CSO policy is on hold subsequent to mitigating all issues pertaining to CSO clear definition.
- In March 2019, a review for Public Bodies reclassification was undertaken with the assistance of the ADB Private Sector Development Initiative (PSDI). The purpose of the review was to develop classification guideline/criteria that will assist Government in accurately classifying its Public Bodies in line with their mandates as well as principal objectives in the PBA 2001. The report is now with the National Policy Coordination Committee (NPCC) for further deliberations and subsequent proposal to Cabinet for approval.

2. PTBs Compliance

The compliance of PTBs to policies and mandated reporting requirements has improved compared to the previous years although there are still concerns on the timeliness of reporting to Shareholders in particular meeting Annual Reporting timeframe.

3. PTBs Performance

- In 2018, 13 out of 16 PTBs generated Net Profit after Tax namely EPC, GCA, PTO, SAA, SHC, SLC, SPL, SPA, SSC, SWA, PAL, SSS, and UTOS following the increase of revenue over expenditures. Unaudited accounts as of 30th June 2019 (April-June 2019 YTD) reflect profitability for EPC, LTA, PTO, SAA, SLC, SSC, SSS, SWA, SPA, SPL, SHC and UTOS.
- The following dividends were collected from respective PTBs for FY2017/18 and FY2018/19. The increased collection in FY ending 2018/19 was mainly the result of outstanding dividends collected, special dividend payments and interim dividend as an impact of the enforcement of compliance of PTBs to the prevailing Dividend Policy.

	PTBs	Actual FY 2017/18	Budget 2018/19	Actual 2018/19
1	DBS		17,829.50	17,829.50
2	EPC	-	1,792,366.45	2,000,000
3	GCA		1,032,175.45	
4	LTA	-	-	
5	PAL	-	14,932,749.00	
6	PTO	-	263,841.20	263,841.20
7	SAA	270,473	878,877.45	1,400,082.05
9	SLC		762,697.60	3,000,000

10	SPL	321,082	218,142.05	218,142.05
11	SPA		5,477,863.35	4,492,691
12	SSC	2,272,214	2,068,054.70	2,068,055.20
13	SSS		99,418.60	99,418.60
14	SWA		1,108,136.75	1,245,148.80
15	UTOS	500,000	116,334.05	314,471.60
	Total	\$3,363,769	\$28,768,486.15	\$15,119,680.00

- Out of the \$15million dividend collected for FY 2018/19, outstanding dividend from previous financial year accounts for 40% (\$6m), 36% (\$5.5m) of the total dividend collected was derived from Net Profit after Tax (NPAT) for FY 2017/18, special dividend accounts for 17% (2.6m) while 6.5% (\$1m) are interim dividends derived from NPAT after the first six months (July-December 2018) of FY 2018/19.
- PTBs FY2019 budget for dividend collection was \$8million; based on NPAT for FY 2017/18. However, an increase in budget to \$28.7 million was a result of \$20 million outstanding dividends from previous FYs. 52% of that amount belongs to PAL who has yet to provide business cases for the revived jet operations to further assess and review outstanding dividend as well as impact on Company's solvency.
- GCA and LTA unpaid outstanding dividends are currently under solvency review.

C. INITIATIVES & REFORMS

Divisional Initiatives

- Subsequent to the implementation of the approved policies for Return on Equity, Dividend and Community Service Obligations, the Commercial Entity Division carried out a review of Public Bodies Classification to re-classify the existing Public Bodies under Schedule 1 of the Public Bodies (Performance and Accountability) Act 2001. The purpose of the reclassification is to ensure that Public Bodies are placed in their most appropriate category for effective implementation of the above mentioned policies.
- The implementation of Dividend policy required solvency test to assess the ability of Public Bodies to pay their debts if they are to pay dividend and the division assisted three public trading bodies in conducting this exercise to ascertain the likelihood of dividend payments.
- To further assist with full implementation of dividend policy, the division has sought assistance in developing capital projects policy, debt management as well as developing templates and guidelines for solvency assessment, cash flow forecasts, capex planning, Net Present Value and Discounted cash flow analysis.

Public Trading Bodies Initiatives/Projects

***MPE highlights the following major projects undertaken by PTBs in the review period which reflects the improvement in service delivery.*

- EPC has completed testing of plant equipment for Afolau biomass gasification project which is an alternative and renewable source of energy. The Corporation is also implementing a multi-purpose dam project in Alaoa with the purpose to control flood, provision of required storage for portable water supply and retain silt for power generation.
- The Land Transport Authority has completed installation of new parking meters from the NPF Plaza to ANZ Beach Road. This initiative serves as another income avenue for the Authority. Other infrastructure projects include:
 - Samusu (Box Culvert);
 - Si'unui Lifeline Access Road;
 - Aopo (Box Culvert);
 - Foailuga Lifeline Access Road;
 - Vavau Lifeline Access Road;
 - Aleisa Laloanea Road- SWA Supplementary Pipeline Project.
- The Samoa Airport Authority has successfully completed the installation of the aerobridges at the Faleolo International Airport and has been commissioned in May 2019.
- Samoa Post has signed a contract with an E-Commerce company adding to their business clientele, in an effort for additional revenues from offshore business partnerships.
- SSC maintenance works for life rafts and replacements of Channel buoyage carried out successfully in compliance with requirements of SOLAS Convention to prioritize safety at sea. Additionally, SSS has made an arrangement with SWIRE Shipping Company through its crewing agent alpha Pacific Navigation based in Fiji for the employment of Samoan seafarers on SWIRE cargo vessels.
- Samoa Water Authority has completed cleaning work for Fuluasou intake & works for Tanumalala Prison Tank and the system is now in operation. Moreover, the Authority completed Gataivai Rural Water System, Saleaumua borehole, and Sataua borehole which is fully operational and supplying water to Sataua, Fagasa, Vaisala, Auala and part of Asau.
- A memorandum of Understanding (MOU) was signed between the UTOS and the Unit Trust of Fiji (UTOF) early September 2018 which allows both parties to exchange information and explore opportunities such as; cross investments product sharing, joint regional investments, ICT development and tax concessions way forward. In addition, an agreement with Samoa Airways was signed in February to utilize the loan establishment fee of \$150,000 for a term of 10 years to purchase air fares and pay costs for a selected loyalty promotion. This initiative was made to support Samoa Airways Operations and to generate returns for unit holders.

D. CHALLENGES & WAY FORWARD

- With the review of ROE and Dividend policies now approved by Cabinet and being implemented, there is misinterpretation by some trading bodies of the revised policies. For example one PTB treated payment of special dividend (over payment) from the previous financial year as advanced dividend payment for the current financial year, avoiding dividend payment derived from NPAT of the current financial year.
- Additional policies such as debt management policy, capital projects policy and investment policy to name a few are needed to be developed to further support the implementation of the approved Reform plans for ROE and Dividend policies. The Division acknowledges capacity limitation within the division in putting together these guidelines for effective policy implementation.
- There is also a need for continuous consultations with Public Bodies for smooth transitions and wider acceptance of these reforms though time consuming but considered effective for policy implementation.

MUTUAL & BENEFICIAL MONITORING DIVISION

A. OVERVIEW

The main goal for the Mutual and Beneficial Monitoring Division (MBMD) is to enhance the compliance, financial sustainability and service delivery of Public Beneficial and Mutual Bodies. Mutual Bodies are mainly statutory authorities that operate as Public Trading Bodies mandated to be profitable and are required to pay dividends to its contributors and policy holders. Beneficial Bodies are providers not profit public services. This Division monitors the performance of eleven Public Bodies of which three are Mutual (ACC, SLAC & SNPF) and eight are Public Beneficial Bodies (NUS, NKF, SFESA, SIFA, SSFA, SQA, SROS & STA).

FY 2018-2019 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2018-2019 Budget	2018-2019 Actual	Progress Indicator	Comments
Mutual Societies and Beneficial Bodies' Quarterly Report submitted on time (1 month after every quarter)	90%	91%		Average of 91% compliance for the 4 quarters: (April-June 2018 = 82%, July-September 2018 = 92%, Oct-Dec 2018 = 100%; Jan-March 2019 = 91%)
Mutual Societies and Beneficial Bodies' Annual Report submitted on time (4 months after every Financial Year)	80%	81%		9 out of 11 or 81% of Mutual and Beneficial Bodies submitted Annual Report as per due date
Percentage decrease in Government Grant for Beneficial Bodies	1%	41%		The MOH and NHS Merger has reduced Government grant for Beneficial Bodies dramatically
Mid-term review of Mutual Societies and Beneficial Bodies Corporate Plans	31 December 2018	March 2019		All Mid-term reviews have been completed and consulted with Mutual and Beneficial Bodies.

B. ACHIEVEMENTS

Compliance

- The level of PB's compliance to reporting requirements has improved compared to the previous year. The 90% target of Quarterly reports submitted by Mutual and Beneficial Bodies has been achieved by a recorded average of 91% this financial year. This has also increased compared to an average of 86% of the same period in the previous year.
- 9 out of 11 Mutual and Beneficial Bodies have submitted their Annual Reports 2018 on time achieving the 80% target for the reviewed period.
- The percentage decrease of Government Grant to Beneficial Bodies has reached 41% following the MOH and NHSS merger that was officiated in January 2019.
- The Corporate Plan mid-term review process for PB's has been completed with review reports submitted to respective Mutual and Beneficial Bodies highlighting issues and recommendations for improvement in implementation of the remaining planning period.

Financial Performance of Mutual and Beneficial Bodies (YTD June 2019 Quarterly report)

- The financial sustainability of Mutual Bodies remains strong with an increased NPAT by 10% in 2019 compared to 2018. This is complemented by an average current ratio for Mutual Public Bodies of 32:1 exceeding the 2:1 benchmark.
- Beneficial Bodies documented an aggregated Surplus of \$24,2million for the 2019. This is mainly due to the transfer of SIFA from a PTB and NHSS merged with the Ministry of Health.
- Government Grant as the major source of funding for Beneficial PB's has decreased by 41% in 2019 compared to 2018 as a direct impact of the MOH and NHSS merger.

C. INITIATIVES & REFORMS

- MBMD has continued to enhance its monitoring role for the eleven (11) Public Bodies under its portfolio. This has seen the adoption of a modified reporting framework and a new set of performance measures tailored for each of the Mutual and Beneficial Bodies. It also includes the classification of performance analysis into output based, productivity, prudential as well as its efficiency. This has broadened the division's oversight role to not only limit on the financial aspects of performance but also on qualitative measures.
- The importance of "Risk Assessment" has also been introduced into the reporting framework with the inclusion of a comprehensive analysis of the potential level of risk imposed by a PB to the Government (vice versa). Mitigation measures are also highlighted in the Ministry's performance reports on a quarterly and an annual basis.

D. CHALLENGES & WAY FORWARD

- The reclassification process of Public Bodies is in progress with the likelihood of some PTB's to be reclassified as Beneficial Bodies. MBMD will strive to ensure the increase in its PB's portfolio will not undermine the execution of its oversight role in the future.

- Assessing the risk of Public Bodies can be a challenge as they all have different mandates. Having a consolidated approach in place will ensure the identification of comparable mitigation measures across the border to ensure the level of risks will be minimized in the future.

PUBLIC PRIVATE PARTNERSHIP & PRIVATISATION DIVISION

A. OVERVIEW

The PPP and Privatization Division continue to identify and plan for potential PPPs and Privatization 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 2018-2019 PERFORMANCE BUDGET REVIEW

- Achieved
- On-going
- Not Achieved

Performance Measures	2018-2019 Budget	2018-2019 Actual	Progress Indicator	Comments
Identify next PPP candidates in line with the Framework for the planning and implementation of PPP's in Samoa	100%	100%		Exploring Printing operations under the MWCSO as a future PPP candidate.
Complete at least one business plan for the identified potential PPP approved by Cabinet	100%	100%		Completion of the Business plan for the MNRE landfill site management PPP.
Implement PPP option endorsed by cabinet	90%	90%		Completion of SPA five years contract and advertisement of the SAA RFI.
Review the existing PPP and Privatization policies and guidelines	100%	100%		Implementation of the PPP and Privatisation policies through analyzing of PPP candidates.

B. ACHIEVEMENTS

- The Implementation of the PPP framework is currently underway following the effectuating of PPP governance structure and advance exploration of potential PPPs in the short, medium and long term.

- The PPP business plans for the LTA road maintenance, SPA stevedoring contracts and SAA non-aeronautical services were completed, and were approved by Cabinet in its FK(18)38 dated 6th November 2018.
- Promotion and awareness programs were conducted for the Public sector during the year, including two workshops for the APMG PPP Certified Professional Guidelines for level 1 and Level 2 tailored for both Public Bodies and Ministries to build capacity on how to develop successful PPP projects.
- PPP business plan for the MNRE landfill site management was completed and endorsed by the PPP Steering Committee in February 2019.
- PPP business plan for SHC building has completed for the SHC building taskforce in March 2019. The Ministry is now awaiting the SHC taskforce committee on the next steps of the PPP project.
- SPL PPP business plan was completed and endorsed by the PPP Steering Committee in February 2019. Final discussions were also completed with Management for SPL before submission to Cabinet.

A. INITIATIVES & REFORMS

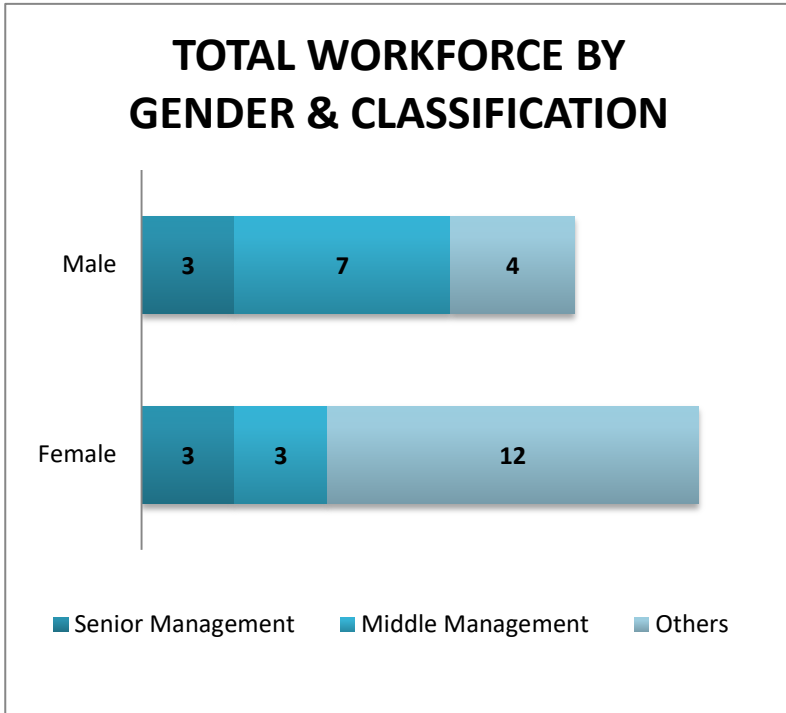
- Identification of the printing operations under the Ministry for Women, Community and Social Development to be screened under the PPP framework and the Divestment policy.
- The implementation of previous directives and identification of new candidates continues.

B. CHALLENGES & WAY FORWARD

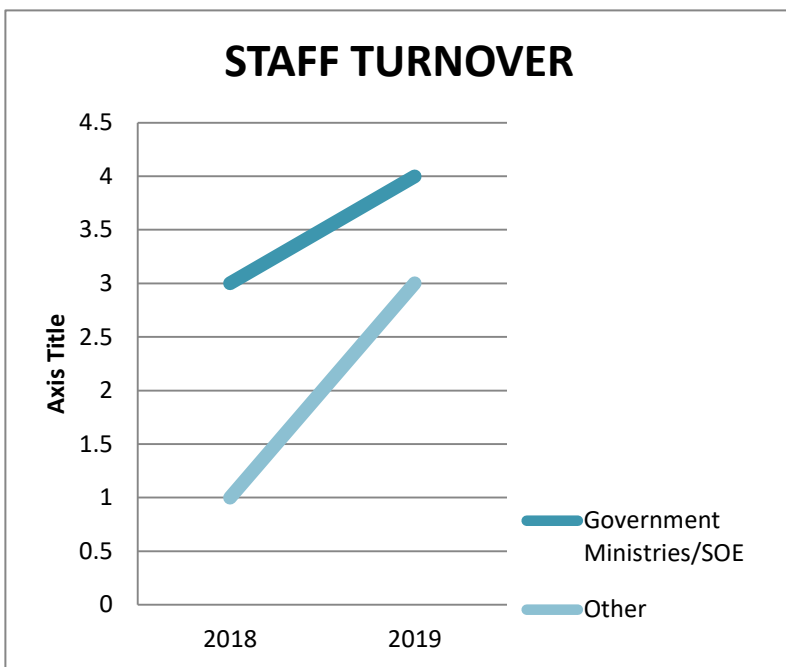
- The public sector's awareness and knowledge of the PPP concept continues to be improved. However, the adaptability and receptiveness of PBs of the concept in relation to their respective services and operations remains a challenge in some Public Bodies. This is a reflection of complexity of PPPs, and snail pace acceptance through changed mindsets of the Public Sector from the traditional procurement method. The division will continue to raise awareness and consultation programs within the public sector in integrating the Framework for the Planning and Implementation of PPPs in Samoa (PPP Framework) to its current procurement process for delivering public infrastructure projects.
- Given the size of our economy and private sector's capacity, the team will 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

The most valuable resource within the Ministry is its people. The achievement of our goals depends on our staff efforts and commitments towards achieving what is expected of them.



- Of the total workforce of 32, 56% constitutes of females and 44% are males (Figure 1). When compared to last financial year, male staff shows an increase of 3% while females have been reduced by 5%. Senior Management Level has an even distribution, however, variance between Middle Management (70% male) and other Levels (75% female).
- Position occupied rate stands at 89% with only 4 vacant positions by the end of June 2019. Of the 4 vacant positions, 2 of the positions were newly created positions approved by Cabinet for the next financial year.



- Staff turnover for the current financial year has increased recording at 22% compared to 11% in 2018. Majority of the staff who resigned left for higher employment within the Government and private sector with one principal officer moving overseas.
- During the reporting period, the Ministry has received a number of trainings, workshops as well as work attachment from our overseas donors for staff development and capacity building on technical knowledge and general skills are developed through in-house training programs under the Public Service Commission.

STATEMENT OF REVENUE AND EXPENDITURE

STATEMENT OF MINISTRY RECEIPTS BY REPORTING CATEGORY

AND EXPENDITURE BY OUTPUT

APPROPRIATION ACCOUNT


for the financial year ended 30 June 2019

	2019	Original Estimate	Final Estimate	(Over)/Under	2018
	\$	\$	\$	\$	\$
PUBLIC ENTERPRISES					
RECEIPTS					
Ordinary Receipts					
Income From Investments					
Dividends	15,119,680	4,000,000	13,077,296	(2,042,384)	3,381,601
Other Revenues					
Fees & Other Charges	100	0	0	(100)	0
TOTAL RECEIPTS	15,119,780	4,000,000	13,077,296	(2,042,484)	3,381,601
PAYMENTS					
Outputs					
1.0 Policy Advice to the Minister	289,540	283,714	291,148	1,609	256,264
2.0 Ministerial Support	336,944	335,601	339,323	2,379	330,959
3.0 Commercial Entities Division	456,537	455,892	458,481	1,944	436,756
4.0 Governance Division	424,969	419,087	426,855	1,886	407,814
5.0 Mutual and Beneficial Bodies Division	298,310	295,950	300,833	2,523	295,835
6.0 PPP and Privatisation Division	364,181	358,615	364,882	700	341,682
Total Outputs	2,170,480	2,148,857	2,181,521	11,041	2,069,311
Transactions on Behalf of State					
Government Policies / Initiatives					
Rents & Leases - CBS Building	251,893	276,543	276,543	24,650	269,652
Rents & Leases - FMFM II Building	37,250	46,450	46,450	9,200	37,467
Privatisation	0	10,000	10,000	10,000	0
Independence Selection Committee	67,454	73,500	73,500	6,046	61,772
	356,597	406,493	406,493	49,896	368,891
VAGST Output Tax	72,077	108,885	108,885	36,808	54,785
Total Transactions on Behalf of State	428,675	515,378	515,378	86,703	423,676
TOTAL PAYMENTS - PUBLIC ENTERPRISES	2,599,155	2,664,235	2,696,899	97,745	2,492,986
RECEIPTS OVER PAYMENTS	12,520,625	1,335,765	10,380,397	(2,140,229)	888,614
Dividend:	2019	2018			
DBS	17,830	17,830			
EPC	2,000,000				
PTO	263,841				
SAA	1,400,082	270,473			
SLC	3,000,000				
SPL	218,142	321,082			
SPA	4,492,691				
SSC	2,068,055	2,272,214			
SSS	99,419				
SWA	1,245,149				
UTOS	314,472	500,000			
	15,119,680	3,381,599			

ANNEX: PUBLIC BODIES FINANCIAL RESULTS

PUBLIC TRADING BODIES												
	Revenue		Expenses		NPAT		ROE		Cash Flow Balance		Equity	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
DBS	8,431,113	8,665,243	8,541,778	9,348,458	-2,104,642	-400,593	-3.95%	-0.73%	6,622,754	9,623,252	53,318,473	54,869,481
EPC	119,212,477	132,383,394	113,326,055	120,822,437	5,121,047	11,560,957	1.84%	4%	700,693	3,593,433	277,535,814	285,046,538
GCA	1,612,705	1,716,349	1,505,574	1,116,286	107,132	600,062	5%	21.99%	455,833	324,395	2,136,456	3,312,783
LTA	36,572,194	42,898,321	37,993,313	36,353,874	-1,421,119	6,544,447	199.9%	90%	4,095,343	16,761,023	710,597	7,255,044
PAL	48,618,154	93,078,194	64,470,560	114,864,132	15,852,406	-21,785,938	29.58%	-46.40	5,665,413	4,574,428	53,598,218	46,944,901
PTO	1,564,193	1,285,799	956,723	991,597	753,832	517,842	15.62%	10.57%	6,907,306	7,174,605	4,826,147	4,898,904
SAA	20,690,366	25,286,615	18,179,289	20,281,601	2,511,077	5,005,014	4.78%	8.97%	14,042,990	12,215,508	52,531,167	55,784,426
SHC	6,909,290	7,778,912	5,714,443	5,928,910	1,194,847	1,850,002	3.75%	5.48%	268,367	670,521	31,896,612	33,746,614
SLC	9,373,519	13,528,674	6,388,401	7,784,331	2,179,136	4,057,211	5.64%	9.83%	5,707,875	8,346,940	38,564,662	41,291,849
SPL	2,362,221	2,017,177	1,597,132	1,500,399	623,263	455,467	21.54%	12.81%	6,056,217	1,033,312	2,889,798	3,554,840
SPA	16,405,935	21,015,003	10,873,014	12,326,676	5,671,921	8,688,327	3.9%	6.05%	6,576,417	8,015,803	143,382,811	143,536,656
SSC	24,204,979	24,101,693	22,169,924	21,928,241	1,594,121	1,884,322	3.9%	4.48%	6,635,295	19,136,796	40,363,426	42,038,002
SSS	3,136,244	3,215,646	2,892,739	2,964,475	243,506	251,171	15.22%	14.86%	819,190	1,212,500	1,538,518	1,690,270
STEC	1,099,057	3,484,073	2,466,284	3,352,194	-1,367,227	131,879	-3.39%	0.27%	-1,554,707	1,646,355	40,282,730	49,478,141
SWA	26,908,784	27,600,136	26,690,599	26,960,809	218,185	639,326	0.33%	0.97%	18,544,295	19,410,590	65,599,999	65,939,197
UTOS	1,598,634	1,847,889	1,266,251	1,449,964	332,383	397,925	16.0%	17%	2,394,168	1,810,895	2,070,150	2,328,801
TOTAL	328,699,865	409,903,118	325,032,079	386,524,420	31,509,868	19,999,496	3.9%	2.5%	126,450,492	115,550,356	811,245,578	773,448,449

• Unaudited April - June YTD results

MUTUAL AND BENEFICIAL BODIES												
	Revenue		Expense		NPAT		Current Ratio		Cash Flow		Government Grant	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
ACC	20,159,336	21,404,830	6,186,601	6,780,049	13,972,735	14,624,781	36.60	51.22	70,943,912	91,043,348	-	-
SLAC	12,946,413	12,424,331	10,147,483	12,350,007	2,798,930	74,324	15.92	3.30	281,124	829,404	-	-
SNPF	53,857,178	60,939,773	8,585,197	7,804,887	45,271,981	53,134,886	90.00	72.00	108,927,984	104,036,623	-	-
NHSS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	31,409,421	
NKF	7,262,583	7,070,868	7,144,266	6,960,352	118,317	110,516	10.98	2.33	1,778,218	3,332,829	6,939,106	6,688,766
NUS	25,787,068	24,302,730	25,654,600	25,512,606	132,468	-1,209,876	1.54	3.94	1,750,945	2,116,877	12,586,159	11,895,074
SFESA	6,367,445	7,119,007	5,552,147	6,514,023	815,298	604,984	5.11	11.28	1,949,762	1,145,876	5,820,950	6,255,260
SIFA	31,672,772	32,398,219	9,849,446	8,889,236	21,823,326	23,508,983	40.57	27.35	62,098,446	52,912,229	-	-
SQA	5,841,132	5,508,889	5,585,563	5,288,591	255,569	220,298	13.05	9.84	2,976,211	2,683,569	2,922,656	3,088,132
SROS	4,059,317	4,133,378	4,211,787	4,571,084	-152,470	-437,706	1.60	1.99	2,197,812	1,731,658	3,243,944	3,333,031
SSFA	4,159,081	4,598,037	7,837,690	5,073,855	-3,678,609	-475,818	0.05	0.10	-56,257	43,951	1,688,867	1,813,752
STA	11,875,328	12,198,851	10,603,633	10,792,541	1,271,695	1,406,310	4.90	1.86	1,358,274	490,883	11,412,131	11,678,045
Total	183,987,653	192,098,913	101,358,413	100,537,231	82,629,240	91,561,682			254,206,431	260,367,247	76,203,234	44,752,060
 <ul style="list-style-type: none"> Unaudited April - June YTD results 												