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**PUBLIC BODIES PERFORMANCE REPORT**

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**January-March 2022 YTD**

**Ministry for Public Enterprises**

**July 2022**

## **BACKGROUND**

There are 27 Public Bodies providing various services for the benefit of the people of Samoa. These include essential services such as finance, infrastructure, water, electricity, health and education.

The performance of SOEs has a significant contribution to the public and the economy in general through the provision of goods and services. Public Trading Bodies are mandated to be profitable, achieve at least 7% ROE and pay 35% of Net Profit After Tax (NPAT) dividend to Government. For Public Beneficial Bodies, they are mandated to provide quality services to the public while at the same time, manage finances to prevent producing deficits.

The purpose of this report as mandated under the Public Bodies (Performance and Accountability) Act 2001 is to provide an overview of performance of PTBs for the quarter ended 31<sup>st</sup> March 2022 for information of the public.

**SUMMARY OF ANALYSIS OF PUBLIC TRADING BODIES PERFORMANCES FOR  
JANUARY-MARCH 2022 (YTD)**

**1. Development Bank of Samoa (DBS)**

- A total of 48 applications valued at \$566k were approved by the end of the quarter under review which has decreased as opposed to budget by 56%.
- Total collection received at quarter end was recorded at \$3.7m, which is 13% increase when compared to budget of \$3.2m. 73% of loan collection is received from MSMEs while of 27% is from large loans.
- The total loan portfolio recorded as at 31<sup>st</sup> March 2022 amounts to \$136.5m.
- DBS recorded a net loss after tax of \$409,035 at the end of the third quarter, leading to a YTD Net Loss after Tax of \$2,396,030.

**2. Electric Power Corporation (EPC)**

- Due to significant reduction in the capital budget for FY22/23, the Management has decided to put Tiapapata Hydro Plant on hold for this fiscal year. The budget for this project is allocated to fund the new power station in Savaii given the growth in electricity demand.
- The Corporation recorded a Net Loss after Tax of \$7.8million during the quarter, leading to a YTD NLAT of \$12.2 million.

**3. Polynesian Airlines Limited**

- Despite the positive NPAT of \$115,194 recorded from the small operation this quarter, the net loss of \$4m from the Jet deteriorates overall performance resulted to an overall net loss of \$1.6m recorded for the first 3 months of FY2022.
- Liquidity position as represented by current ratio of

**4. Public Trust Office (PTO)**

- There were two (2) new wills written and registered with the Office whilst three (3) were amended during the quarter.
- A total of two (2) new estates files were opened whilst one (1) estate was closed during the quarter.
- PTO achieved a Net Loss After Tax (NLAT) of \$61,172 at the end of the third quarter of Financial Year 2021/2022, leading to a YTD NLAT of \$471,067.

**5. Samoa Airport Authority (SAA)**

- SAA reported a net loss of (\$2,536,410) in the current quarter leading to YTD net loss of (\$7,851,599). This is due to the continued impacts of Covid19 restrictions on closure of international borders affecting revenue generation for the Authority.
- Liquidity position represented by current ratio of 4.9:1 is above the acceptable range of 2:1 as a result of decreased current liabilities by 23% compared to prior quarter.

**6. Samoa Housing Corporation (SHC)**

- **Loan Portfolio**
  - There were 215 loans approved during the quarter valued at \$855,000. Total collections have decreased by 51% as well as disbursements by 760% compared to last quarter, mainly due to covid-19 lockdown that the Country encountered during the quarter.
  - The total number of loan portfolio is 2,963 with a value of \$65,888,169.
- **Rental Portfolio**
  - Total collection from rental properties has increased from \$156k in the last quarter to \$166k in the current quarter.
- The Corporation achieved a net profit after tax (NPAT) of \$791,356 during the quarter, leading to a YTD NPAT of \$2,795,876.

**7. Samoa International Finance Authority (SIFA)**

- A total of 290 new companies were incorporated during the quarter.
- 428 companies renewed their registration in this quarter, leading to 26,233 registered companies who have renewed their registration at the end of the third quarter of this financial year.
- SIFA recorded a net loss after tax of \$522,615 at the end of the third quarter. YTD NPAT recorded is \$18m following the NPAT achieved in the previous quarter.

**8. Samoa Land Corporation (SLC)**

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- The Corporation achieved a net profit after tax (NPAT) of \$1,200,180 throughout the quarter, leading to a YTD NPAT of \$3,734,777
- SLC's cash and cash equivalents stands at \$17million which is sufficient to settle for the Corporation's short term obligations when fall due.

**9. Samoa Port Authority (SPA)**

- ADB funded project continues during the quarter. The China Harbour Engineering Company completed their work on the construction site as the main contractor of the project.
- The Cabinet approved the name of the new tug boat- SA'ULA-69 and was launched in March 2022.
- The number of vessel that have entered the Apia Port has decreased from 80 in the last quarter to 74 in the quarter under review following the national lockdown and continuation of SOE restrictions that limited the operations of the Authority. Cargo and containers handled also decreased by 35% and 5% respectively to the same effect.
- The Authority achieved a NPAT of \$2.5million during the quarter, leading to a YTD NPAT of \$7.4million.

**10. Samoa Post Limited (SPL)**

- Approved project proposal of approximately USD \$112,000 for 2 new cargo delivery vans fully funded by UPU QSF.
- Maintenance project for District Post Offices is on-going with 2 newly installed water tanks for Salailua and Fagamalo.
- The Company recorded a Net Profit after Tax (NPAT) of \$28,616 during the quarter, leading to a YTD NPAT of \$392,077 for the 9 months ended 31<sup>st</sup> March 2022.

**11. Samoa Shipping Corporation (SSC)**

- The MV Fotu o Samoa which services both international and domestic route sailed to American Samoa and back, during the reported quarter to transport cargo for Silver Group such as forklift, and empty containers.
- MV Samoa Express had her annual survey which was carried out by the Ministry of Works Transport and Infrastructure. Following the survey by MWTI, the vessel was issued with 16 certificates confirming compliance.
- SSC recorded a Net loss of \$471,506 for the reported quarter following the impacts of Covid19 and bad weather conditions on SSC operations.

**12. Samoa Shipping Services (SSS)**

- The number of seafarers currently employed with the Mediterranean Shipping Company (MSC) has increased from 346 in the last quarter to 379 in the current quarter.
- The Company recorded a NPAT of \$40,705 in the current quarter compared to NPAT of \$22,242 earned in previous quarter, an increase by 83% following the reduction in expenditures.

### **13. Samoa Water Authority (SWA)**

#### **- New Works**

The following submain works were completed during the quarter.

- Tafaigata supply (SLC lands behind old Prisons), Moamaoa submain extension, extension of Nofaalii new borehole supply system looping with Leulumoega-Tuai supply system.
  - 110mm HDPE /660m, 63mm HDPE/480m system for Tanumalala prison, Sagone 411m (PE63mm) main road to the high school and 100m (PE20mm) from road junction to the Primary school.
  - New submain at Tialoa at Asau towards inland 664m (PE 63mm), Submain extension at Vaisala 487m (PE 63mm), Submain extension at Saleaula 290m (PE 63mm), main extension at Taga 500m (PE 63mm), submain extension at Sapulu 300m (PE63mm), Fataloa 600m (PE63mm) & 100m (PE110mm) and Foua new submain 300m (PE63mm).
- Network Upgrades were also completed during the quarter for the following areas.
- Falealili Street of 0.5km, 0.12km Sinamoga submain, 0.1km Avele submain (relocation from existing) and West Coast Road Rider Main HDPE63mm 1.165km.
- Completed installation of 180m PE DN110 sewer main for Falealili Street and a new pump station has now fully commissioned for the Worship Center at Sogi.
- SWA was able to record a NPAT of \$209,316 in the current quarter despite contribution of 20% reduction in water tariff. YTD result is a loss of \$794,053 derived from unprofitable results incurred in the first and second quarters of current FY.

### **14. Unit Trust Of Samoa (Management) Ltd (UTOS)**

- The Management Company continued to actively seek investment opportunities to meet its commercial objective of consistently delivering returns to its unit holders. In doing so, the Board approved a new overseas investment to BSP Financial Group amounting to \$5million USD. This investment is expected to be completed in two tranches in April & June 2022.
- A joint promotion with Vodafone Samoa was initiated in March 2022. Unit holders received a discounted unit price when purchasing units through the MTala platform. The UTOS Management team has conducted radio and TV talk shows to promote this marketing campaign.
- The Company achieved a NPAT of \$134,080 during the quarter; an 8% increase compared previous quarter leading to YTD NPAT of \$403,025.

## **SUMMARY OF ANALYSIS OF MUTUAL BODIES PERFORMANCES FOR JANUARY-MARCH 2022 (YTD)**

### **1. Samoa Life Assurance Corporation (SLAC)**

- The updated count of New and Surrendered Policies for the Jan-Mar 2022 quarter is still yet to be provided by the Corporation.
- Ongoing effort to minimize number of Surrendered policies from quarter to quarter has led to a decrease in Surrender claims payout by 73% compared to the previous. This has translated to YTD NPAT of \$2.95million.
- Minimal returns on investments remains as a challenge for the Corporation which yet again calls for a review of its Investment portfolio and Insurance products, as well as an expedite developing of Investment Policy.

### **2. Samoa National Provident Fund (SNPF)**

- Purchased additional IFC BSP shares at the value of USD5million which is equivalent to SAT13.2million.
- The Board and Management also resolved to make special payments to the combined value of SAT42.35million to celebrate its Golden Jubilee.

- 5% interest payout to members for 2022 (3% paid in cash in March 2022 and 2% to be paid in cash in December 2022);
  - Special donation to charitable organisations of \$130,000 in total;
  - Special one-off gift to senior citizen pensioners registered under the SCBF scheme to the value of \$580,000.
- The number of registered employers increased by 2% (35 employers) compared to the previous quarter. Active members on the other hand slightly decreased by 0.5%. Despite that, member's contribution increased by 2% for the reviewed quarter.
  - Total withdrawals decreased by 17% compared to the previous quarter mainly due to decrease in retirement and members benefit payments.

## **SUMMARY OF ANALYSIS OF PUBLIC BENEFICIAL BODIES PERFORMANCES FOR JANUARY-MARCH 2022 (YTD)**

### **1. Accident Compensation Corporation (ACC)**

- To date, the ACC has accumulated \$8.9 million from employer/employee levies (exl. Fuel).
- Compensations decreased by 27% compared to Oct-Dec, but is significantly higher than budget by 82%. All categories (workers, conveyances, after-hour and death benefit) decreased this quarter by 67%, 71%, 29% and 25% respectively. Awareness spending is constant at \$242k for all quarters in the financial year reviewed.
- To date, of the \$109 million deposits, SCB currently hold the highest at 32% whilst the remaining allocation is spread across ANZ, NBS and BSP has 26%, 23% and 19% respectively.
- Liquid funds increased by an additional 4% compared to Q2, of the entire liquid funds (\$104 million), at least 63% (\$66 million) of the portfolio is expected to mature in the upcoming quarter,

### **2. Gambling Control Authority (GCA)**

- Third jackpot winner for this financial year, with a payout of \$145,280
- Lockdown had a great toll on the GCA performance this quarter, with a significant amount of revenue streams decreasing.
- License revenue is below Q2 and its correspondence in 2021 by 35% and 14% respectively
- Ticket sales reported a decrease of 44% (\$915,237) and 47% (\$833,148) compared to Q2 and Q321. This constitutes 20% of YTD sales, highlighting the significance of the decrease in the reviewed quarter.
- Payout follows the same trend, reporting at 32% lower than Q2 and 34% below Q321. To put the decrease in perspective, the payout for just bonus games in Q2 exceeds the total payouts this quarter.

### **3. Land Transport Authority (LTA)**

- The Authority was able to operate during the national lockdown by rolling out its Business Continuity Plan to reflect continuous activities with its stakeholders. The Management, staff and contractors used virtual zoom meetings to constantly follow up work plans.
- There were no new road constructions recorded for the reviewed quarter. Most of the continuous works are mainly for maintenance of road and drainage network, thus its supervision work for the construction of roads, drainages and all other related project continued throughout the quarter.

### **4. National Kidney Foundation of Samoa (NKFS)**

- One outreach each for the corporate and community programmes for the quarter, whilst also being able to perform 4 education programs via TV, Radio and Presentations.
- Still no medical specialists and teams to visit due to COVID restrictions.

- A total of 110 individuals were screened and counseled, of which 6 were referred for follow ups.
- There were 13 new patients to commence dialysis this quarter whilst 5 passed away and 2 withdrew. There have been no holiday patients since the SOE was enforced, to date; there are 178 permanent patients on dialysis.

#### **5. National University of Samoa (NUS)**

- Level 3 Alert and relevant State of Emergency Orders for COVID19 commenced on the 18th March which required the University to close doors. Although all teaching and learning have switched to online mode and teachers have been encouraged to use Moodle, NUS TV and Multimedia, NUS expects increasing attrition rate if lockdown lasts longer.
- Challenges resurfaced with conducting enrolment completely online during complete lockdown in operations. Simplification of process did not result in a significant increase in enrolment numbers and poor access to computers and enabling devices was the most likely reason why this will remain a challenge.
- There is a general increase in the number of students doing Masters Degrees to 27 although the number of students doing a Master of Development Studies have halved from 18 in 2020 to 9 this semester.
- The University installed CCTV surveillance across the entire Le Papaigalagala campus to assist in safeguarding its facility assets while providing a safe space for all students, staff and visitors on campus.
- In terms of Research and Innovation, NUS was able to publish eight (8) Journal Articles and one (1) General Media in the reporting period.
- A total of thirty-four (34) Programmes are 'in-progress' for national accreditation with SQA.

#### **6. Samoa Fire and Emergency Services Authority (SFESA)**

- The Authority went into its first Level 3 Lockdown earlier in the quarter as per established Alert Levels for COVID19 that commenced on 22<sup>nd</sup> Jan 2022. This resulted to a total of 1,257 Ambulance call-outs, now the highest number of ambulance response thus far, which is a 32% increase from the previous quarter.
- SFESA activated its Level 3 Emergency Response Plan as the Cabinet activated its Alert Level 3 (Red) with a nationwide lockdown on midnight 18<sup>th</sup> Mar 2022 to 5<sup>th</sup> Apr 2022. As a result, the Authority recorded 457 total responses to 31<sup>st</sup> Mar totaling to 630 EMR Responses for the month of March alone.
- "All Fire Type Responses" decreased by 43% in almost all categories when compared to the previous quarter. This is reflective of the impact of Cyclone season of heavy rain and flooding to most parts of the country during this period.
- The current quarter noted a total of 79 emergency responses compared to 62 emergencies which the Authority responded to in the previous.
- SFESA's application to Embassy of Japan in the Independent State of Samoa, under the Grant Assistance for Grassroots Human Security Projects (GGP) 2022, has been approved with a total of USD\$282,309 for second-hand firefighting trucks. The Authority has also received 3 Ambulances and 1 fire truck donated by the Embassy of Japan.

#### **7. Samoa Qualifications Authority (SQA)**

- Approved its Quality Assurance Standards and Policies 2022 and its Educational Learning Pathways: Development Guidance.
- Annual Registration renewed for all 25 formal PSET Providers.
- Consultations were held with PSET and stakeholders on its draft amendment bill 2022 introducing new measures to strengthen the PSET sector.
- Conducted an awareness session on Workplace Assessment and training of potential Assessor. Also conducted training on the National External Moderation for potential panel members.

- Had a stakeholder validation for its draft Samoa Qualifications and National Competency Standards for the ICT Sector – consulting Samoa Certificates Levels I-IV in ICT.
- Conducted a Program Development Training on the Application of SQs and NCSs for KL Security and week training for fieldworkers and data entry operators for its PSET Tracer Study of 2018-2020 graduates.
- Another stakeholder consultation on the Draft Samoa Education Learning Pathways Framework, an initiative to promote links between the school sector, PSET sector and career advisory services.

#### **8. Scientific Research Organization of Samoa (SROS)**

- Reduction in working hours due to the national lockdown for the COVID-19 pandemic.
- Sustained its International Accreditation status.
- SROS continued to provide ongoing research with the primary aim of adding value to our local resources and services as well as developing functional prototypes of products and processes.
- Also reported a signed contract for a new project which is; “Samoa Cocoa industry Association (SKIA): Cocoa Genotyping Project”.

#### **9. Samoa Sports Facilities Authority (SSFA)**

- Maintenance cost, as SSFA’s main output, was well contained within 59% of budget during the reporting quarter.
- Due to the COVID19 nationwide lockdown, the following facility bookings were carried forward to await official cancellation of all SOE orders by the Cabinet:
  - Marist 7s
  - NPF’s Jubilee
  - Athletic Samoa’s games (since March)
  - Most private pool, Gym, and Venues bookings
- Regardless of the lockdown, the Authority’s revenue collection increased by 33% compared to budget mainly due to 33% increase in Government grant and Other income (including Electricity usage and Green carpet hire-age) by 644%.

#### **10. Samoa Tourism Authority (STA)**

- Borders continued to be closed as part of the restrictions for the COVID-19 pandemic. Only repatriation flights are allowed with approval from Cabinet.
- The planning of the ‘*Beautiful is Back*’ market re-entry strategy and activity plan by the Authority continued in anticipation of border reopening
- Trading conditions for hospitality business and event’s organisers were severely impacted by the nationwide lockdown during the reviewed quarter.
- Majority of the tourist operators and the sector as a whole continued to face much uncertainty and the continued loss of trained hospitality and service workers to the Regional Seasonal Employment Scheme.
- The Government’s stimulus grant programme that was rolled out at the end of 2021 made good progress in terms of disbursements to the eligible operators. At the end of the quarter, approximately \$3.5 million or 70% of the total value of the stimulus had been committed.



**PUBLIC TRADING BODIES' PERFORMANCE (YTD<sup>3</sup> Jan-Mar 2022)**

PUBLIC TRADING BODIES		Revenues			Expenses			NPAT <sup>1</sup>			ROE	
		Actual	Budget	Var <sup>2</sup>	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget
1	Development Bank of Samoa	4.89	4.03	21%	7.28	7.55	-4%	-2.40	-3.52	-32%	-3.74%	-5.85%
2	Electric Power Corporation	91.18	100.74	-9%	103.42	99.55	4%	-12.24	1.19	-1130%	-3.81%	0.35%
3	Polynesian Airlines Limited	3.63	4.67	0%	15.57	23.35		-11.93	-18.68	0%	0.00%	0.00%
4	Public Trust Office	0.35	1.03	-66%	0.82	1.06	-22%	-0.47	-0.03	1679%	-9.51%	-0.48%
5	Samoa Airport Authority	7.23	6.45	12%	15.09	14.52	4%	-7.85	-8.06	-3%	-20.91%	
6	Samoa International Finance Authority	24.34	23.64	3%	6.02	9.04	-33%	18.32	14.60	26%	17.06%	13.89%
7	Samoa Housing Corporation	6.89	6.15	12%	4.10	4.79	-14%	2.80	1.36	106%	7.22%	3.68%
8	Samoa Land Corporation	9.13	8.63	6%	5.40	6.84	-21%	2.73	1.31	109%	5.46%	3.04%
9	Samoa Post Limited	3.28	3.32	-1%	2.74	3.02	-9%	0.39	0.14	173%	9.28%	3.49%
10	Samoa Ports Authority	16.66	17.95	0%	9.23	10.12		7.43	7.83	0%	0.00%	0.00%
11	Samoa Shipping Corporation	15.58	15.36	1%	16.06	15.10	6%	-0.48	0.19	-349%	-1.13%	0.45%
12	Samoa Shipping Services	1.83	0.60	206%	1.79	1.16	54%	0.05	-0.56	-109%	10.64%	-73.18%
13	Samoa Trust Estate Corporation	0.00	0.00	0%	0.00	0.00		0.00	0.00	0%	0.00%	0.00%
14	Samoa Water Authority	21.24	22.53	-6%	22.04	24.57	-10%	-0.79	-2.03	-61%	-1.21%	-3.18%
15	Unit Trust of Samoa (Management) Ltd	1.73	1.68	3%	1.32	1.47	-10%	0.40	0.21	95%	12.11%	6.81%
	<b>Total</b>	<b>207.98</b>	<b>216.76</b>	<b>-4%</b>	<b>210.86</b>	<b>222.13</b>	<b>-5%</b>	<b>-4.03</b>	<b>-6.07</b>	<b>-6.04%</b>	<b>22.34%</b>	<b>24.60%</b>

**Key:**

<sup>1</sup>NPAT = Net Profit after tax

Calculated on Revenue less Expenses less any tax and dividend paid.

<sup>2</sup>Var = Variance – This represents the percentage change of actual compared to budget.

<sup>3</sup>YTD = Year to Date.

MUTUAL AND BENEFICIAL BODIES PERFORMANCE (YTD<sup>3</sup> Jan – Mar 2022)

Mutual and Beneficial Bodies		REVENUES			EXPENSES			NPAT <sup>1</sup>		
		Actual	Budget	Var <sup>2</sup>	Actual	Budget	Var	Actual	Budget	Var
	<b><u>Mutual Societies</u></b>									
1	Samoa Life Assurance Corporation	10.18	9.65	6%	7.23	9.43	-23%	2.95	0.21	1279%
2	Samoa National Provident Fund	17.83	16.54	8%	2.31	3.06	-24%	15.52	13.48	15%
	<b>TOTAL</b>	<b>28.02</b>	<b>26.19</b>	<b>7%</b>	<b>9.55</b>	<b>12.49</b>	<b>-24%</b>	<b>18.47</b>	<b>13.70</b>	<b>35%</b>
	<b><u>PUBLIC BENEFICIAL BODIES</u></b>									
1	National Kidney Foundation of Samoa	6.59	6.71	-2%	6.82	6.40	7%	-0.22	0.31	-172%
2	National University of Samoa	25.06	23.10	8%	21.54	23.48	-8%	3.52	-0.38	-1034%
3	Samoa Fire and Emergency Service Authority	8.70	8.36	4%	6.75	8.35	-19%	1.95	0.01	19545%
4	Samoa Qualifications Authority	3.31	3.31	0%	3.31	3.31	0%	0.00	0.00	0%
5	Scientific Research Organization of Samoa	4.08	-	-	4.01	-	-	0.07	-	-
6	Samoa Sports Facilities Authority	4.23	3.14	35%	3.97	3.67	8%	0.26	-0.53	-150%
7	Samoa Tourism Authority	9.71	12.39	-22%	5.49	12.54	-56%	4.22	-0.15	-2933%
8	Gambling Control Authority	6.00	6.55	-8%	6.20	6.70	-7%	-0.20	-0.15	36%
9	Land Transport Authority	35.14	35.82	-2%	36.47	36.54	0%	-1.34	-0.72	86%
10	Accident Compensation Corporation	15.80	16.48	-4%	5.54	4.59	21%	10.26	11.89	-14%
	<b>TOTAL</b>	<b>118.63</b>	<b>115.87</b>	<b>2%</b>	<b>100.10</b>	<b>105.57</b>	<b>-5%</b>	<b>18.53</b>	<b>10.30</b>	<b>80%</b>

**Key:**

<sup>1</sup>NPAT = Net Profit after tax - Calculated on Revenue less Expenses less any tax and dividend paid.

<sup>2</sup>Var = Variance - This represents the percentage change in comparison to budget.

<sup>3</sup>YTD = Year to Date