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Executive Summary

Key Developments and Challenges

In the past two decades Samoa has made reasonable progress in terms of economic and social outcomes. In the early 1990s two cyclones wreaked major devastation on the economy, but infrastructure has been restored, macroeconomic stability has been achieved, and important reforms have been undertaken in the public sector and the finance sector, and to the tax and tariff system. The economy is now benefiting from strong economic growth and the impact of reform efforts. Social indicators have improved and a host of activities are presently directed to improving health and education.

The immediate challenge of the Government is to continue the momentum of the recent economic reforms and in particular make more effective progress with reform of various public enterprises to improve their efficiency and effectiveness. Other important challenges include making further progress on budget reforms; broadening the tax base; addressing infrastructure and policy weaknesses in the rapidly growing fishing sector; and improving the quality of primary education, the scope and effectiveness of preventive health care, and the prospects of poorer people in society.

Economic Performance

After achieving modest economic growth in the second half of the 1980s, economic activity was disrupted by the devastation of two major cyclones in February 1990 and December 1991. Economic recession in Samoa's major trading partners and the impact of taro leaf blight disease also entailed adverse impacts for Samoa in the first half of the 1990s. Rehabilitation of infrastructure, supported by generous aid, dominated economic activity through the mid-1990s. As the cyclone rehabilitation program was being completed, agriculture recovered, tourism picked

up, and the fishing sector experienced dramatic growth. The Asian financial and economic crisis that began in 1997 had minimal impact on Samoa. The overall growth rate was 3 percent in 1998 and a 3–4 percent rate is expected for 1999. Strong growth is expected over the next few years, reflecting a very substantial public investment program, further expansion of the fishing sector, and the stimulus from economic reforms.

Inflation has declined substantially over the past two decades. The better average performance of the 1990s compared with the 1980s reflects the impact of a less severe depreciation of the currency and the substantial tariff cuts in 1998 and 1999. At times there have been spikes in inflation that have reflected local food shortages or tax changes.

In the 1980s, Samoa practiced a policy of gradual depreciation of the currency such that there was a small but persistent annual improvement in competitiveness. This approach has not been pursued in the 1990s and in recent years there has been a slight loss in competitiveness. This is a bit unusual in the context of substantial tariff reform and financial liberalization, which are normally accompanied by noticeable exchange-rate depreciation.

Minimum adult wages apply but are among the lowest in the Pacific, and real minimum wages have declined substantially since 1980. Where Samoa has a natural advantage associated with its resources, such as fish or certain agricultural products, or because of preferential access to large markets, the cost of labor is not a binding constraint.

Remittances have traditionally been the major source of external income but have declined in relative importance in recent years. Aid has also been very important, averaging over 10 percent of gross domestic product (GDP) for the past two decades. Tourism receipts have grown from 5 percent of GDP in the early 1980s to 10–15 percent of GDP in recent years. In contrast, merchandise exports declined substantially from the early 1980s to the mid-1990s, but recently have shown improvement.

The most important structural change in the economy has been the decline in the relative importance of subsistence activity—agriculture and fishing—in real GDP. The subsistence share of GDP has declined from about 25 percent in the early 1980s to about 15 percent in 2000.

Despite the good overall economic growth performance in recent years, growth of formal-sector employment has been relatively weak. This largely reflects job losses at the Yazaki factory. Most of the workforce is still employed, albeit often part-time, in the agriculture and fisheries sector, reflecting the importance of subsistence activity.

In the first half of the 1990s, fiscal and monetary policy was dominated by the response to the two cyclones and the subsequent

rehabilitation program. Initially, this meant large increases in government expenditure, substantial budget deficits, and tight monetary conditions overall. In the second half of the 1990s, the budget position has been consolidated, macroeconomic stability has been good, there has been strong growth of credit to the private sector, and inflation has been reduced to less than 1 percent in 1999.

Reform Strategies

Following the period of cyclone rehabilitation, the Government developed a comprehensive economic reform program. Since 1996 it has released a series of biennial Statements of Economic Strategy. The current strategy continues the emphasis on macroeconomic stability, public sector efficiency, improved education and health standards and a strong private sector developed in the earlier strategies. In addition, the current strategy emphasizes the importance of reinvigorating the agriculture and fishing sectors, the promotion of sustainable tourist development, and the importance of a revitalized village economy in achieving better economic and social outcomes. An important feature of the reform strategies has been the extensive consultation that has been undertaken in their preparation and implementation so far.

Tax and Tariff Reform

The Government has implemented a number of important tax and tariff reforms in the 1990s and particularly in the 1998–99 and 1999–2000 budgets. The recent tariff and tax reforms reflect the objectives of pursuing an open trade policy and an economically efficient taxation system. Prior to the recent tariff and tax reforms, an extensive tax and tariff incentives policy had been in place.

Generally the reforms have been well regarded by the business community and have contributed to a reduction in inflation. The general direction of the reforms is also consistent with achieving economic efficiency. However, there is still some fine-tuning required to achieve a better economic efficiency outcome. One aspect of the reforms is that there are many sectors that are now paying a 10-percent duty on business inputs, whereas prior to the reforms they paid nothing because of the exemptions and concessions system.

As to equity, the lifting of the tax-free threshold and the continued exemption of fresh food from the Value Added Goods and Services Tax (VAGST) are progressive in themselves in terms of their impact on lower-income groups. However, the reduction in marginal income tax rates in

conjunction with the scale of the reductions in excise tax and duties for luxury products is not likely to have progressive effects on income distribution. From an equity perspective there would not appear to be any case for further reductions in the marginal tax rate for some time.

In addition to equity considerations, another important efficiency principle in the design of taxes for consumption goods is that because it is not possible to tax leisure directly there should be relatively higher taxes on complements to leisure. As a result of these considerations, there is a concern that excise taxes on luxury products might have been reduced more than they should have.

It is suggested that tariffs on genuine business inputs should be reduced to zero. However, automobiles, building materials, and certain other household items have both business and personal uses and it is not administratively efficient to develop a system to identify the separate uses. Thus further tariff cuts should apply only to products that are most likely to be mainly for business use.

Income from primary production (agriculture, fishing and handicrafts) and that earned by ministers of religion are not taxed. The exemption of low-input agriculture and fishing may have been valid on equity grounds in the past, but the recent changes raising the tax-free thresholds to Samoan Tala (SAT)\$10,000 make such an argument redundant now. In addition, the exemption for primary production means that high-income commercial farming and fishing is operating free of any substantial tax; this is clearly not justified from the perspective of economic efficiency.

With respect to the tax-free status of ministers of religion, it is not unreasonable for the community to expect that all residents should make a reasonable and equitable contribution to government services. Changing the tax status of ministers of religion would probably meet widespread community resistance, however, and effective consultation with the community would clearly be needed before changes were made. However, the key point is that such matters should be made transparent to the general public so that effective consideration can be given to an appropriate policy.

It is recognized that taxes on alcohol, soft drinks, and tobacco are levied for both revenue and health reasons. As noted in the chapter on health, the major health issue is the health risk caused by excess weight. Consideration should be given to levying higher tariffs or excises on the main imported and local products that are not considered to be components of a healthy diet.

The introduction of more rapid depreciation of capital is considered to be an important change, one that will contribute to economic

efficiency. It is often not well understood that immediate write-off of all genuine business capital with full carry-forward of all genuine business losses is consistent with economic efficiency and indeed can be especially helpful to business in the early stages of an operation. It would be most effective, however, to allow immediate write-off as part of a package where other reforms were introduced, such as removal of the tax-free status of commercial agriculture and fishing.

In terms of administration of the tax system, one important issue is ensuring the prompt refund of VAGST for sectors that have zero rating. Another suggestion that may be worth investigating is to further simplify the tax base for small to medium-sized businesses.

As to the income tax, it is the case that a fringe-benefits tax formally applies, in that noncash income is taxable (cars, rent, or any other non-cash income) at the same rate as cash income. Its enforcement is not strong, however, and it is likely greater efforts to collect it could yield considerable revenue.

Financial Liberalization

A comprehensive market-based financial liberalization program was initiated in early 1998. The reforms have entailed, inter alia, the removal of credit and interest-rate controls, the use of auctions of Central Bank securities as the main monetary policy instrument, and the strengthening of the capacity of the Central Bank. Private-sector credit growth (from both banks and nonbank financial institutions) picked up in the 1998–99 period compared with the two-year period prior to the reforms and inflation has fallen substantially. However, in contrast to what was expected, interest-rate margins have increased slightly; the interpretation is that financial institutions are taking advantage of the greater scope to price more effectively for risk.

At the sectoral level, the main developments have been increased lending to the retail and wholesale trade sectors and for the purchase of land and construction, along with decreased lending to manufacturing.

For the Central Bank and Treasury, key issues are the control of foreign reserves under the one institution and the strengthening of the balance sheet of the Central Bank to provide it with the capacity to service Central Bank Securities.

Economic growth is currently quite strong. However, this strength is largely provided by the dramatic expansion of the fishing sector, which, it is considered, would have grown in the absence of any reforms. The economy grew in real terms by 1.4 percent in 1997 and 3.1 percent in 1998. The fishing sector grew by 21 percent in 1997 and 27 percent in

1998. If the fishing sector had instead grown at 3 percent in each of these years and other sectors had recorded the same actual growth as was realized, then overall economic growth would have been 0.6 percent in 1997 and 1.2 percent in 1998. Thus, it can hardly be argued that the reforms have boosted overall economic growth substantially in these years. From market inquiries and assessment of the sectoral GDP and lending data, one of the main impacts of the tax and tariff reforms and the financial liberalization reforms so far has been a boost to the retail and wholesale trade sector and a reduction in manufacturing activity.

Although it is difficult to demonstrate that the reforms have boosted overall economic growth, the reforms are still considered to have entailed important benefits, particularly in terms of improving the relationship between business and Government and achieving a consensus view on economic strategies. In addition, the benefit to many individuals and businesses of greatly improved access to financing should not be underestimated. The reforms are also expected to provide a platform for strong growth in the near future.

Impediments to Business, and Government Policy Responses

To overcome the natural disadvantages associated with size and distance from major markets, it is important to continue to give strong emphasis to economic efficiency and policies that harness the profit incentives of the private sector in a well-functioning competitive market. Insecure land tenure, inefficient public enterprises, and regulations that make it difficult to transact domestic and international business are still considered to be important constraints.

Various programs and policies are being developed to improve the efficiency of public enterprises. One concept that needs further development is that of an independent and adequately-resourced utilities regulator. Good progress has been made with the preparation of investment promotion material, although performance in terms of facilitating investment is still considered to be a major weakness.

Other regulatory and administrative requirements and weaknesses that still have an important impact on the transaction costs of doing business include import/export documentation, quarantine requirements, exit permits for residents, work permits for expatriates, stamp duty, and the need for a small claims court or tribunal. There are also a number of legal reforms that should be considered in the context of making it easier to “do business”. These include streamlining company and insolvency law; reform of certain procedural aspects of land laws; reform of the law relating to security of property; and modification of the Fair

Trading Act to repeal price control provisions, remove other provisions not appropriate for Samoa, and include a prohibition of price-fixing.

Public Sector Reform

Samoa has adopted a wide-ranging program of public sector reforms. The introduction of output budgeting, a greater emphasis on strategic planning, the provision of increased autonomy for line agencies, and a privatization and corporatization program have resulted in the pursuit of modern public-sector management practices. Substantial improvements have been made in a relatively short period and the public sector has indeed become more accountable and transparent. However, the Government recognizes that much work remains to be done and further reform initiatives are being introduced.

There is a clear recognition within the public service of the benefits provided by the output budget and associated reforms. The reforms have provided a sound foundation for lifting the contribution of departments; careful thought is now required as to the next steps towards making departments more efficient and effective. In this respect, further development of the performance monitoring and evaluation of departments is a priority.

Improving the oversight of state-owned enterprises (SOEs) is also a priority. There are good performers within the SOEs, but the service quality and financial position of some of the key SOEs requires close attention. There is a need for more up-to-date and relevant reporting, to give SOE boards a stronger commercial focus and to create the right pressures and incentives to lift performance. Many of the required initiatives are already provided for in the Government's draft SOE Act, and it is important that the Act be adopted and implemented in a workable manner.

Population

The population in 2000 is approximately 170,000. The Samoan population structure is similar to other small Pacific Island nations. It is youthful, with the present natural increase being around 2.3 to 2.5 percent per year. However, significant emigration (with New Zealand the principal destination) means that net population growth has been around 0.5 percent for the past 30 years.

Data sources and estimates, particularly with regard to employment categories, population growth, and migration appear incomplete or difficult to compare. This makes the next census in 2001 crucial as a means

to validate sampling systems and as the single most important future source for planning data across all sectors, with special application to human resource development. It is an unparalleled opportunity that should be fully resourced.

Education and Health Status

Samoa has relatively good education and health services by general comparison with the developing world. The present under-five mortality rate of around 27 per 1,000 population reflects enormous strides in public health for Samoa since 1960, when it stood at 210. Some 98 percent of the adult population have attended some portion of primary school and around 70 percent have some secondary education. Health and education are tightly woven into the Samoan way (*fa'a samoa*) through village committees. Thus stakeholder and grassroots participation has a long and successful history in Samoa.

The present government reform process specifically aims to devolve much greater responsibility to line agencies. Both health and education are moving toward the reorganization of their management fabric. The next step is to devolve management and leadership to clearly defined local levels where outcomes such as functional literacy or infant mortality can be measured, understood, and responded to locally.

The Key Issue for Education

The Government of Samoa has long recognized that numerous challenges face education and has spent the past decade addressing them in concert with development assistance. The fundamental priority is to ensure that primary education outputs include an increasing number of functionally literate and numerate students. Meeting this major challenge involves a nexus of concerns raised about primary education. These include (i) the low levels of functional literacy and numeracy apparently being achieved at present; (ii) teacher quality and the relatively high turnover of teachers, with primary-level vacancies taking up to eight months to fill; (iii) the level of resources dedicated to primary education; (iv) the general lack of reinforcement for literacy and numeracy beyond the confines of the primary school; and (v) the issues of access and equity.

The Samoan Government, in particular through the Department of Education, foreign donors and multilateral lending agencies, have combined to address education problems at all levels. The challenge and most pressing priority is to achieve a sustained improvement in primary school teaching, teaching materials, and primary school teachers.

The Key Issue for Health

The risk of communicable disease is lessening, but health risks are growing from lifestyle diseases attributable to poor dietary practices and lack of sufficient exercise. One means to improve health has been through the integration of services with a more rationalized central hierarchy that concentrates many services. This raises the potential for better, more cost-effective treatment. However, treatment costs could escalate massively as a result of the epidemiological transition from communicable to noncommunicable disease. The next great challenge for health is to strengthen primary health care on a sustainable basis and to ensure sufficient resources directed to disease-prevention and good-health programs that attack the multifaceted causes of lifestyle disease.

Agriculture

Agriculture plays an important role in the economy of Samoa, with at least two thirds of households reliant on a mixture of subsistence activity and cash income. Subsistence production is thought to comprise about half of agricultural output.

The agricultural sector was responsible for just under 30 percent of Samoa's export revenue in 1999. However, agriculture and the economy are vulnerable to the potentially destabilizing impacts of external shocks, such as fluctuating commodity prices, exchange rate movements, and changes in the economic policies of major trading partners. Furthermore, agriculture is vulnerable to natural disasters, such as cyclones and disease infestations.

The approach to the economic development of agriculture should focus on the private sector and on those already involved in commercial agriculture. The approach should include initiatives that will bring further investment, including foreign investment, into the sector.

One anomaly that has arisen is that the prices of certain agricultural inputs have increased as a result of tariff restructuring and the removal of exemptions. At the same time, primary producers remain free of the requirement to pay income tax. Arguments for both economic efficiency and equity require, however, that production inputs should be free of tax, while income should be taxed.

The Ministry of Agriculture, Fisheries, Forestry and Meteorology (MAFFM) should focus on its core functions in extension, research, regulation, market information, and policy development. MAFFM should provide these services to both the commercial and the subsistence sectors.

It is suggested that the Government divest itself of the various commercial enterprises in which it is involved, including beef cattle farming, the Samoa Trust Estates Corporation (STEC), the Samoa Land Corporation (SLC), the Agriculture Store Corporation, and the Oilseed Crushing Company Limited. Furthermore, MAFFM should not become involved in ventures such as the proposed abattoir, although the Government might have a role, because of market failure, in supporting the establishment of a forced-air heat treatment facility for fruit export.

The preparation of Hazards Analysis of Critical Control Points (HACCP) plans is becoming important in many of Samoa's key export markets. MAFFM has a role in supporting quality-control initiatives and providing training for exporters in HACCP.

While access to customary land for commercial development remains problematic, land for commercial agricultural development can be made available through divestment of STEC and SLC.

Forestry

The forestry sector has played a small and declining role in the economic development of Samoa in recent years. The export of logs is banned, timber cutting is almost exclusively for the local market, and increasing amounts of timber are being imported to support the building trade. Most forestry cutting is now on customary land, with landholders paid a royalty of SAT\$7.77 per cubic meter of timber.

There are concerns about the rate of logging of the remaining merchantable forest. Licensing, currently on an area basis, should be placed on a volume basis and transitional arrangements that allow the timber industry to adjust to reduced allowable harvests should be introduced.

Negotiations on the return of plantations on customary land to customary owners should begin as soon as possible. The Forestry Division should, however, monitor those plantations and provide management advice where needed. Plantations on government land can be regarded as a public good and, therefore, should remain under Forestry Division management. The remaining 40 percent of the Samoa Forest Corporation in government ownership should be sold to the private sector as soon as possible.

Environment and Conservation

The islands of Samoa are volcanic and dominated by rugged mountains with a four- to five-kilometer fringe of gently sloping fertile land. They are bordered by fringing coral reefs and coastal lagoons. The geography of the islands, coupled with the tropical climate, means that

Samoa's natural resources are both fragile and scarce. They therefore require careful management if they are to continue to serve the needs of the people into the future.

The Division of Environment and Conservation is reactivating the National Environmental Management Strategy, prepared in 1993, as a first step in formulating environmental policy for Samoa. Such policy development is urgently needed to underpin Samoa's drive for economic and social development.

Environmental Impact Assessment (EIA) legislation has been drafted but not yet passed, although government projects and most private developments are subjected to EIA, through use of the provisions in the draft legislation. Such an approach is laudable, but is not backed by law. Consequently, it is imperative that workable EIA legislation be passed as soon as practicable.

It is critical that efforts to preserve and sustainably manage the nation's scarce resources are strongly supported. Without such support, the important natural-resource-based industries—agriculture, fisheries, forestry and tourism—will be unable to make a long-term contribution to social and economic development and, concomitantly, improvements in the welfare of all Samoans.

Fisheries

Fisheries remain important to Samoa and the Samoan people for both subsistence and the earning of cash income. Concerns about declining inshore fish resources remain, but the village extension projects are supporting efforts at self-management of customary fishing areas. Market failure and externality arguments support continued government involvement. Aquaculture is also supported to develop alternative food sources.

Due to the rapid expansion of the offshore long-line fishery, the sector is set to become Samoa's largest export industry within the next few years. It will make a significant contribution to the social and economic development of the nation if the Government focuses its agencies on their servicing and regulatory roles and on ensuring that the needed infrastructure is in place to support the efficient development of the industry.

Exports of fish have grown from SAT\$150,000 in 1993 to more than SAT\$28 million in 1998 and are estimated to be on the order of SAT\$45 million for 1999.

The Fisheries Division manages the Apia Fish Market, but it is suggested that the potential for contracting out this management be

investigated. The Fisheries Division should divest itself of the Mechanic Workshop, which is undertaking subsidized outboard motor repairs. This is a role for the private sector.

Albacore accounts for about 88 percent of tuna exports, with yellowfin and bigeye accounting for around 10 percent and 2 percent, respectively. Albacore is sent by container to canneries in American Samoa, with the higher-quality yellowfin and bigeye mostly air-freighted to the US sashimi market.

Infrastructure support is urgently needed for the rapidly expanding fisheries sector. Wharf, berthing, and refueling facilities are high-priority needs. Wharf and berthing facilities should be under government ownership, with the management contracted out to an experienced operator.

Export fishers are zero-rated for VAGST, pay minimal import duties, and are not subject to income tax. Consequently, these fishers are appropriating all the economic rent from exploiting a resource that belongs to all the people of Samoa. It is suggested that a resource rental fee be introduced on fish landings. Implementation would require further effort to derive a sustainable level, the mechanism for its implementation, and the possible differential approach to managing larger vessels and the smaller, locally-owned *alias*.

The Secretariat of the South Pacific Community (SPC) undertakes confidential tuna stock assessments in the waters of Community nations, including Samoa, and makes recommendations on the approximate level of sustainable catch in the waters of those countries. Since the catch in Samoa approached 5,000 tons in 1998–99, there should be an urgent SPC review of the approximate sustainable harvest. Continued open entry to the industry will result in increased effort and reduced rents, and is also likely to lead to the overexploitation of stocks.

To properly manage the fishery, it is suggested that the Government require the installation and use of Vessel Monitoring Systems (VMS) in the long-line fishery. A side benefit of VMS is that it supports safety at sea, as vessels in distress can be easily located.

Registration and licensing both need to be reviewed and anomalies in fee schedules removed. Registration fees should be tied to the costs of inspection and policing and, if tied to vessel size, should be on a per meter or weight basis, rather than a flat basis. In the case of fishing licenses, these also should be based not on vessel length but on on-board storage capacity, which reflects the potential economic rent appropriated by the operators of individual vessels. Storage capacity also relates closely to matters such as how long a vessel can stay at sea.

Zoning of fishing areas should be based on on-vessel fish storage

capacity. Vessels with a certain storage capacity, reflecting an ability to fish for only one day at a time, should be allowed to fish within the 50-mile zone. Vessels with greater storage capacity, implying an ability to stay out for more than one day, would be required to fish outside the 50-mile zone.

Implementation of a resource rental fee should be part of a package of initiatives aimed at making the sector more efficient. The package should include provision of wharf, berthing, and refueling facilities, protection for the operations of smaller vessels, and revision of vessel registration and fishing license fees.

Tourism

Visitor numbers grew from 48,000 in 1990 to 78,000 in 1998 and tourism earnings reached SAT\$115 million in 1998. In its *Statement of Economic Strategy: 2000–2001*, the Government of Samoa identified “sustainable tourism development” as one of its eight strategic focuses. The Government’s reform of tax, tariffs, the financial sector, and foreign investment supports tourism development.

The Samoan Visitor’s Bureau (SVB), is responsible for the coordination of national tourism activity, aimed at ensuring positive and sustainable tourism development, as well as promotion. There is a strong case for an increase in SVB’s promotion and marketing budget. Certain SVB services, such as the maintenance of an Internet site, should be contracted out to the private sector.

It is suggested that the Samoan Visitor’s Association, the industry association, be given greater representation, including voting rights, on the board of SVB.

Samoa remains expensive as a tourism destination in terms of airfares and hotel tariffs. There is a need to develop more package holidays in conjunction with the airlines and the practice of quoting in US dollars in all markets is considered to be a deterrent.

Most accommodation properties have been experiencing occupancy rates around 40 percent, so any moves to establish further capacity must be questioned. Development of accommodation and related facilities must be demand-driven, not supply-led.

The strategy of developing small coastal resorts has met with little success. Notwithstanding the point above, the development of an internationally managed (“name brand”) “boutique resort” of about 100 rooms should be encouraged. Such a development will raise operational standards in Samoa, boost overseas marketing credibility, increase local confidence in tourism, and lead to increased opportunities for the local

industry. It is recommended that the Tourism Investment Committee identify an appropriate parcel of land, such as the STEC property, and invite expressions of interest from the international tourism investment sector to establish the facility. Government should also approach the South Pacific Project Facility for support in the further development of this project.

Polynesian Airlines is to take delivery of an additional aircraft, a 737-800, in November 2000, and intends to commence direct flights between Samoa and Sydney. It is considered that a key constraint on the marketing of holiday packages to Samoa at the premium end of the market is the absence of high-quality accommodation. The resort referred to above would cater for this likely demand.

The issue of access to land might be overstated in the present situation for tourism development. The plans for a number of small coastal resorts, on customary land, are predicated on an assumption that that is what the owners, and the Matai as the local decision makers, wish to do with their land. This might not be a correct assumption. Furthermore, such plans seem to imply that, as with the agriculture situation, customary landowners are not making rational choices. Again, such an implicit assumption should be questioned.

It is not clearly the case that land tenure is at present a major constraint on tourism development in Samoa, particularly if access to STEC and SLC land is facilitated. Constraints on tourism development lie in the high costs of tourism in Samoa, the reluctance of financial institutions to lend for what is seen as a high-risk activity, the lack of bankable projects, and the current relatively low level of demand by tourists to visit Samoa. Limited power, water and telecommunications infrastructure also imposes constraints on the development of tourism. Continued development and provision of industry training is a high-priority need for the industry, with Samoa Polytechnic the appropriate institution to provide such training.

Land use planning and land zoning should be given high priority in Samoa, thereby supporting not only appropriate tourism development, but also the development of other industries.