

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. Samoa's principal bilateral development partners are the Australian Agency for International Development (AusAID), Japanese International Cooperation Agency (JICA), New Zealand Aid Programme, the People's Republic of China (PRC), and various agencies of the United Nations (UN). The multilateral agencies that provide grants and loans are the Asian Development Bank (ADB), European Union (EU), the Organization of Petroleum Exporting Countries, and World Bank (WB).

2. The Strategy for the Development of Samoa (SDS) 2008-2012 guides the assistance from most development partners. Development partner coordination is government-led and typically operates through sectoral working groups. Major development partner assistance in sectors and themes related to the Economic Recovery Support Program (ERSP) is summarized in the table.

Major Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
Law, Economic Management and Public Policy			
ADB	Support for the Implementation of SDS 2008-2012	2008-2009	0.6
	Private Sector Development Initiative Phases 1 and 2	2006-2013	n.a.
UNDP	Good Governance	2008-2012	0.4
	Human rights activities	2008-2012	0.9
AusAID	Institutional strengthening of police	2009-2010	15.1
	Public sector improvement facility	2005-2009	9.7
	Capacity building – judiciary	2009-2010	0.5
	New financial system for whole Government	2009-2010	10.6
NZ	Justice and courts administration	n.a.	n.a.
	Public sector improvement facility	2005-2009	3.8
PRC	Capacity building - judiciary	2006-2011	3.8
	Legislative Assembly building	2007-2010	20.0
	Government offices' buildings	2011	40.0
Health, Nutrition and Social Protection			
World Bank	Second Health Sector Policy Development	2008-2013	3.0
	Infrastructure development	2004-2010	21.5
AusAID	Tsunami recovery	2009-2010	7.5
	Samoa health sector program project	2008-2013	15.1
	Tackling non communicable diseases in Pacific	2007-2011	19.3
AusAID and NZ	School fee relief scheme	2010	2.5
NZ	Tsunami recovery	2009-2010	7.6
	Medical treatment/visiting medical experts schemes	annual	0.5
EU	Tsunami relief	2009-2010	5.4
	Health facilities through micro projects	2009-2010	5.4
ADB	Tsunami relief	2009	1.0
Private Sector Development			
UNDP	Private sector support	2009-2010	0.1
World Bank	Technical assistance	2004-2008	0.2
EU	EPAs trade agreements and related training	on-going	n.a.
NZ	Private sector support facility	2008-2011	0.8
	Tourism rehabilitation/support	2009-2012	3.0

n.a. = not available, ADB = Asian Development Bank, AusAID = Australian Agency for International Development, EU = European Union, NZ = New Zealand aid program, PRC = People's Republic of China, UNDP = United Nations Development Programme.

Source: Development partner websites and communications.

B. Institutional Arrangements and Processes for Development Coordination

3. The development coordination process used in Samoa has development proposals put forward by line ministries appraised by the Economic, Policy, and Planning Division of the Ministry of Finance. This comprises comments to improve the proposal, rather than a thorough analysis of net benefits, consistency with the SDS, or relationship to the sector plan. Following appraisal, the Cabinet Development Committee considers all proposals. The proposals approved in principle are conveyed to the Aid Coordination Committee which, like the Cabinet Development Committee, is chaired by the Prime Minister, for final approval.

4. ADB and WB have a shared liaison officer position based in the Ministry of Finance in Apia. This has enabled greater coordination between these two institutions, and allows for more regular representation of ADB and WB in regular local sector-based meetings to coordinate development partners and to support the implementation of development activities.

5. The ERSP utilizes a program-based approach. The ERSP subprogram 2 policy matrix was developed from a country-developed matrix prepared in late 2009, which sets out the government's priority policy actions from the SDS 2008–2012 and supporting sector plans. The AusAID and WB, in addition to ADB, have provided budget support against time bound achievement set out in the government's policy matrix. In May 2011, ADB and AusAID conducted a joint assessment, with government, of progress against the government's policy matrix which informed the development of ERSP subprogram 2.

6. The use of a government-led policy matrix to coordinate programmatic support to Samoa is being extended. A meeting in July 2011 in Apia, involving government and interested development partners, initiated discussions on a further set of priority policy actions around which development partner support could be coordinated in the medium term.

C. Achievements and Issues

7. Samoa is a signatory to the Paris Declaration on Aid Effectiveness. The Paris Declaration principles are generally followed in Samoa. Harmonization of action is improving, with a number of programs supported jointly by two or more partners under sector-wide approaches.

8. Samoa's system of sector plans provides an important link to medium-term budgeting through the national medium-term expenditure framework (MTEF). Eight sector plans developed to date have MTEFs and monitoring and evaluation frameworks, which provide a link to the national MTEF. The approach to development planning at the program and project level, despite the preparation of the SDS, could be more strategic. The move to adopt sector-wide approaches is an important change that will help address this concern.

9. In December 2010, Cabinet approved the Aid and Development Cooperation Policy, which sets out the framework for effective aid delivery. Currently, performance indicators are being formulated so that the government and development partners can assess progress toward development outcomes. Through this policy, the government has stated its preference for more assistance to be provided as budget support.

D. Summary and Recommendations

10. The government has established a broad ranging and well regarded strategic planning process and implementation framework. Key elements are the SDS 2008-2012 and its sector plans, the Public Financial Management Reform Program, and the reform architecture for state-

owned enterprises. These provide a sound basis for the alignment and harmonization of external assistance, and to meeting the government preference that more assistance is provided as budget support.

11. Ongoing arrangements for joint monitoring of implementation of policy actions and coordinated economic and public sector policy dialogue around the government's own policy matrix are strongly supported by ADB, AusAID, and WB. Opportunities to improve and strengthen this process should be considered.