

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. The major development partners in the agribusiness sector and in support for private sector development are the governments of Australia and New Zealand, and the World Bank. The major internationally supported initiatives funded by these and other agencies are as follows:

#### Major Development Partners

Development Partner	Project Name	Duration	Amount <sup>a</sup> (\$ million)
<b>Agriculture, Natural resources and Rural Development</b>			
ACIAR	Pacific Agribusiness Research for Development Initiative	2014–2014	9.0
ACIAR/SPC	Various small projects including floriculture, coconut wood, taro and cocoa	Ongoing	7.0
World Bank	Agriculture and Fisheries Cyclone Response Project	2014–2015	5.0
World Bank	Samoa Agriculture Competitiveness Enhancement Project	2012–2017	13.0
DFAT	Pacific Horticultural and Agricultural Market Access, Phase II	2013–2017	13.0
DFAT	Samoa Agroforestry and Tree Planting Project	2012–2017	2.0
GEF	Integrating Climate Change in Agriculture and Health	2009–2013	1.5
FAO	Various small projects under FAO Country Program Framework	Ongoing	1.5
EU	Enhanced Sustainable Livelihoods Through Increased Agricultural Commodity Trade	2008–2017	16.0
SPC	Global Framework for Progressive Control of Transboundary Animal Diseases	Ongoing	Unknown
<b>Finance</b>			
ADB, DFAT, NZAP	Pacific Private Sector Development Initiative, Phase III <sup>b</sup>	2013–2019	30.5
NZAP	Small Business Enterprise Centre	Ongoing	Unknown
UNDP, NZAP	Samoa Private Sector Support Facility	2008–2011	3.0
<b>Industry and Trade</b>			
DFAT	Market Development Facility	2001–2017	12.0
DFAT	Australian Business Volunteers	Ongoing	Unknown
NZAP	Pacific Business Mentoring	2010–2013	2.0

ACIAR = Australian Centre for International Agricultural Research, ADB = Asian Development Bank, DFAT = Department of Foreign Affairs and Trade Australia, EU = European Union, FAO = Food and Agriculture Organization, GEF = Global Environment Facility, IFC = International Finance Corporation, NZAP = New Zealand Aid Programme, SPC = Secretariat of the Pacific Community, UNDP = United Nations Development Programme.

<sup>a</sup> This includes regional programs where the allocated amounts to Samoa are unknown.

<sup>b</sup> Pacific Private Sector Development Initiative is a regional technical assistance initiative that provides financial sector reforms support among other activities. Support to Samoa is in the area of secured transactions reform.

Sources: Asian Development Bank; Government of Samoa.

### B. Institutional Arrangements and Processes for Development Coordination

2. **Overview.** Samoa is advanced in the application of a program-based approach to development coordination. The country takes a strong leadership role in planning and allocating resources within: (i) a single comprehensive planning framework—the Strategy for Development of Samoa (SDS)<sup>1</sup>—and budget framework; (ii) a set of sector development plans; (iii) a formal process for development coordination and harmonization of development partner procedures;

<sup>1</sup> Government of Samoa. 2012. *Strategy for the Development of Samoa 2012–2016*. Apia.

and (iv) the use of local systems for program design and implementation, financial management, monitoring, and evaluation. External assistance is managed by the Development Coordination and Debt Management Division (DCDMD) of the Ministry of Finance (MOF) under a government-led process that identifies intervention priorities, sources of financing, and co-financing possibilities. The aid coordination operation is pursuing the objectives of the Paris Declaration, and has facilitated new modalities for delivery, including sector wide approaches.

3. **Institutional Framework.** The Aid Coordination Committee and its operational arm, the DCDMD, is the focal point for mobilization of official development assistance, coordination of official development assistance with development partners, as well as coordination within and between line ministries, government corporations, and nongovernment organizations.<sup>2</sup> The coordination mechanism consists of two operational bodies: the Cabinet Development Committee (CDC) and the Aid Coordination Committee. The CDC has 72 members comprising cabinet ministers, associate ministers, chief executive officers of all government ministries and corporations, and a representative of the nongovernment organizations. The CDC is chaired by the Prime Minister and the Economic Planning and Policy Division (EPPD) of the MOF is its secretariat. The CDC appraises all new proposals, approves policy frameworks, and monitors implementation. The Aid Coordination Committee has seven members, with the Prime Minister its chairperson and the DCDMD its secretariat. Its key role is the coordination of all development cooperation, in particular the allocation of resources where external funding is required.

4. The DCDMD acts as the focal point for the development partners as well as the line ministries, government corporations, and nongovernment organizations. Through the Minister of MOF, the DCDMD signs any legal agreements with development partners and international organizations pertaining to acceptance and allocation of official development assistance. It also leads in cooperation with line ministries and institutions for consultations on resource mobilization as well as donor coordination. The CDC sets the conceptual frameworks and public investment policies and establishes priorities for public investment in the medium term. The EPPD, in collaboration with the DCDMD, prepares the public investment program based on the decisions of the CDC. The budget division of the MOF in collaboration with the EPPD prepares the medium-term public sector investment program and controls the allocation of finances. The line ministries prepare sector investment programs and are responsible for their implementation. Where external financing is involved, all ministries and agencies implement public investment in coordination with the DCDMD.

5. Coordination at the sector level is managed through sector-level steering committees with representation from all the key stakeholders and institutions, including development partners, civil society and private sector representatives. All proposed externally funded projects and programs must be endorsed by the relevant sector steering committee. Where appropriate, mechanisms may be put in place for a coordinating development partner to facilitate dialogue, coordination, and harmonization between partners contributing to a particular sector. All development partners are urged to prioritize supporting capacity development of government institutions to enable them to achieve ownership and leadership in managing aid coordination functions to improve aid effectiveness.

6. **Project planning and budgeting.** Samoa has well-designed procedures for the design, implementation, and monitoring of development projects through government institutions.<sup>3</sup> All

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<sup>2</sup> Government of Samoa. 2010. *Development Cooperation Policy: Partners in Development—Promoting Aid Effectiveness*. Apia.

<sup>3</sup> Government of Samoa. 2009. *Manual on Project Planning and Programming*. Apia.

projects are required to pass through a formal evaluation and approval process. Projects identified by line ministries are submitted for appraisal by the EPPD. Project proposals are appraised relative to the SDS and the respective sector development plan. The appraisal criteria include financial and economic impact, climate resilience, environmental sustainability, and gender issues. Projects appraised favorably by the EPPD are forwarded to the CDC for approval, and then to the ACC if foreign funding is involved. Approved projects are incorporated in the national budget, and both ongoing and new projects are included in the 3-year rolling public sector investment program. Projects implemented by the sector ministries are required to submit regular progress reports through the MOF Budget Division to the CDC.

### C. Achievements and Issues

7. **ADB's Pacific Approach.** The Pacific Approach (2010–2014) aims to deliver sustained, resilient, and improved standards of living for the people of the Pacific and serves as the country partnership strategy for Samoa.<sup>4</sup> The Pacific Approach closely aligns with the aims of the Government of Samoa's SDS. Both identify operational priorities in energy, information and communication technology, and water and sanitation, with private sector development as a crosscutting theme. Under the previous SDS 2008–2012, significant progress was achieved in donor harmonization and alignment. ADB continues to coordinate with Samoa's development partners, contributing to policy dialogue, clearer allocation of interventions, and a move among development partners towards joint advocacy. ADB has promoted a number of harmonization and coordination activities, including through exchange of information with development partners and periodic meetings with diplomatic and donor representatives. ADB continues to explore greater harmonization opportunities through joint economic sector work to maximize collective use of diagnostic analysis. At the program and project levels, ADB has established cofinancing partnerships with donors in several key sectors: power (Australia and Japan), education (Australia and New Zealand), and private sector development (Australia).

8. The current country operations business plan<sup>5</sup> will continue to support the removal of constraints in the areas of public service delivery, private sector development, and reform of state-owned enterprises. There is a general recognition of the high cost and difficulties of project preparation, administration, and implementation, largely because of the absence of economies of scale. Lessons from past experience include (i) the presence of technical failures in project design due to inadequate pre-feasibility studies, (ii) inadequate beneficiary participation, (iii) insufficient recognition of institutional weaknesses, (iv) ambitious targets without back-up work, and (v) inadequate project monitoring and coordination. These shortcomings resulted from (i) inadequate capacity and institutional development, including the need for a better understanding of ADB's procurement guidelines and other procedures; (ii) inadequate stakeholder consultation; and (iii) inadequate attention to quality control processes within ADB.

### D. Summary and Recommendations

9. The design of the project was undertaken in close collaboration between ADB, the government, the private sector, civil society organizations, and potential cofinancing partners. The project will be subject to the government's standardized review, approval, and implementation processes described herein.

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<sup>4</sup> ADB. 2009. *ADB's Approach to Assisting the Pacific (2010–2014)*. Manila.

<sup>5</sup> ADB. 2013. *Country Operations Business Plan: Samoa, 2012–2014*. Manila.