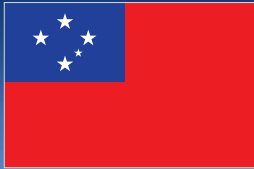


Samoa

Forum Compact Peer Review Report

30 June 2014



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Samoa Taupou and Sogaimiti performing a traditional Samoan Tauluga

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At the invitation of the Government of Samoa, a peer review of Samoa’s national development planning, budgeting, public financial and aid management systems and processes was undertaken in Samoa from 11 to 21 November 2013. The Government of Samoa invited representatives from three Forum Island countries, namely, Cook Islands (Richard Neves, Secretary of Finance), Papua New Guinea (Ruby Zarringa, former Secretary of Planning and Monitoring) and Tonga (Lesieli Tufi, Deputy Secretary of Finance and National Planning). The Government also invited the World Bank (Robert Utz and David Knight, Senior Economists) as the development partner representatives to be part of this peer review. The Peer Review team also included observers from the Federated States of Micronesia (Ms Evelyn Adolph, Director of the Office of Statistics, Budget and Economic Management, Overseas Development Assistance and Compact Management), and from Papua New Guinea (Linda Taman, Senior Aid Specialist, Department of National Planning and Monitoring). The Peer Review Team was ably assisted by personnel of the Pacific Islands Forum Secretariat staff.

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- Representatives of government ministries, agencies in the public sector, representatives of the private sector, civil society and non-governmental organizations.
- Representatives of all development partners.
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- The two representatives respectively from the governments of Papua New Guinea and the Federated States of Micronesia who were present as observers but lent support to the review team and participated fully in the review process.

All financial figures are expressed in Samoan Tala.

ACRONYMS

ACC	Aid Coordination Committee
ACEO	Assistant Chief Executive Officer
ADB	Asian Development Bank
CSSP	Civil Society Support Program
CDC	Cabinet Development Committee
CoC	Chamber of Commerce
CSO	Civil Society Organisations
DCP	Development Cooperation Policy
EPA	Economic Partnerships Agreement
EPPD	Economic Planning & Policy Division
FICs	Forum Island Countries
FMIS	Financial Management Information System
GDP	Gross Domestic Product
JICA	Japan International Cooperation Agency
MTEF(s)	Medium Term Expenditure Frameworks
MOF	Ministry of Finance
MNRE	Ministry of Natural Resources & Environment
MPMC	Ministry of the Prime Minister & Cabinet
M & E	Monitoring & Evaluation Framework
NGOs	Non-governmental Organisations
PACER Plus	Pacific Agreement on Closer Economic Relations Plus
PEFA	Public Expenditure and Financial Accountability Assessment
PICTA	Pacific Island Countries Trade Agreement

PFM	Public Financial Management
PFMA	Public Finance Management Act
PFMP	Public Finance Management Plan
PFMRP	Public Finance Management Reform Plan
PFMS	Public Finance Management System
PIF	Pacific Islands Forum
PIFS	Pacific Islands Forum Secretariat
PMU	Project Management Unit
PPP	Purchasing Power Parity
PSC	Public Service Commission
ODA	Official Development Assistance
SAME	Samoa Association of Manufacturing Enterprises
SBEC	Samoa Business Enterprise Center
SDS	Strategy for the Development of Samoa
SOEs	State Owned Enterprises
SOEMD	State-owned Enterprise & Monitoring Division
SUNGO	Samoa Umbrella of non-governmental organizations
SWAP	Sector wide approach
UN GEF SGP	United Nations Global Environment Facility Small Grants Programme
WIBD	Women in Business Development
WB	World Bank
WTO	World Trade Organisation

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L-R: H.E. Hon. Tuilaepa Lufesoliai Aiono Sailele Malielegaoi, Prime Minister of Samoa; Lesieli Tufui Faletau, Deputy Secretary of Finance and National Planning, Tonga. Taken during the Samoa Peer Review, Nov 2013

Message from the Honourable Prime Minister of Samoa



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Apia, Samoa

Key Message from the Hon. Tuilaepa Lupesoliai Malielegaoi, Prime Minister of Samoa

Samoa welcomes the peer review process initiated under the Cairns Compact Agreement to strengthen development cooperation, and as the last country to be reviewed, it is fitting that as the first Pacific island nation to undertake a comprehensive public sector reform program in the 1990's, this review process will cover an extensive period of implementation, more so than any other island nation included in this review process. The assistance of invited representatives from our family of nations in the Pacific Islands Forum, development partners and PFI Secretariat is an excellent modality, for such a review to learn and share our development aspirations and reform experiences

For Samoa, the change process we undertook was necessary because we knew back then as a government which had survived an economic and financial crises in the early 1980's, that with a narrow resource base which was basically agricultural, we had no option but to look at ways of strengthening our approach to develop and enhance other sectors of the economy, change the role of government to be more effective, efficient and accountable in resource mobilization, allocation and utilization to support key sectoral activities to promote economic growth and sustainable development. This whole new approach was encapsulated in a vision that was promoted with the introduction of the first Samoa Economic Strategy (SES) issued in 1995. This planning strategy was renamed as the Samoa Development Strategy (SDS) as it has come to be called these days, and remains the guiding strategic framework for Samoa's development. This massive reform effort was greatly assisted by our development partners and they remain supportive of our ongoing work to continually improve and refine our reforms.

The key constructs of this change process has been in the areas of budgeting, planning, aid management and coordination. Much of the success of Samoa's reforms could be traced back to the shift from traditional line item budgeting to output performance based budgeting, stronger coordination that has now coalesced to direct links between domestic and external resources reflected in the budget to key sectoral priorities articulated in the SDS. Parallel to all of these changes was the institutional strengthening process right across government to ensure capacity was also being built up to embed these reforms further. After 20 years of our public sector reform program, despite the successes we have enjoyed, there is still room for improvement, and Samoa continues to work on enhancing further its systems, institutions, processes and policies in support of these reforms and new changes and challenges.

Reform, once started, is an ongoing process for the dynamics of change within our individual systems and the impact of global economic, financial, political, and now environmental changes, will affect our small island nations and economies. Such impacts will require of us to be more vigilant, anticipatory and responsive to ensure progress and survival. I believe that we can become stronger as a group in lifting our development and economic performance, if this experience is shared, and with the assistance of our development partners, target the specific areas or gaps in our respective reform programs that will address the challenges we face.

(Tuilaepa Lupesoliai Sialele Malielegaoi)
PRIME MINISTER OF THE INDEPENDENT STATE OF SAMOA

Message from the Secretary General of the Pacific Islands Forum Secretariat

In 2009, Pacific Islands Forum Leaders, through the Cairns Compact on Strengthening Development Coordination (Forum Compact), committed to improving the coordination and use of government and donor resources available in their countries, to better achieve the Millennium Development Goals (MDGs). A key Forum Compact initiative to improve Forum island countries' systems and processes for planning, budgeting, and public financial and aid management are peer reviews. Samoa is the last Forum Island Country to undertake the Peer Review process, completed in November 2013.

Samoa is highly rated among small island economies in the region and is performing relatively well in terms of progress against the MDGs.

As a strong advocate and supporter of the Forum Compact, Samoa continues to lead by example with their systematic and sustained approach to Public Financial Management reforms and is widely acknowledged as a leader in the Pacific in aid and development effectiveness efforts, both of which have served Samoa well after the country was hit by devastating natural disasters in 2009 and 2012. Samoa however, remains vulnerable to external shocks and the peer review process offered them an opportunity to learn and share experiences with senior officials from the Cook Islands, Papua New Guinea, Tonga, Federated States of Micronesia and the World Bank. For the first time in a Peer Review process, the Samoa Peer Review team was able to consult with representatives from the People's Republic of China (PROC) at their Embassy in Samoa. We value and we look forward to the continued engagement of the PROC in national and regional discussions on development effectiveness.

Overall, the Report highlights Samoa's strong leadership and political commitment to its economic and financial reform processes and provides examples of good practice with regards to their effective engagement with their development partners, civil society and the private sector. The report offers five recommendations to bring together Samoa's existing systems and processes and to make more effective use of available resources. The challenge facing the Government of Samoa now is to sustain, advance and progress further on these recommendations.

I commend the Government of Samoa for its strong commitment to the Forum Compact, not just by allowing the government systems to be peer reviewed, but also allowing Senior Government officials to serve on the Niue, Vanuatu, Tonga, Papua New Guinea, Federated States of Micronesia, Solomon Islands and Cook Islands Peer Reviews. In addition, Samoa has hosted the Solomon Islands and the Federated States of Micronesia officials in May this year, for South-South learning attachments.

To the Government of Samoa, I give assurance of the Forum Secretariat's firm commitment to facilitate support from the governments and development partners in the region to implement and monitor the progress of Samoa's peer review recommendations.

Tuiloma Neroni Slade
Secretary General
Pacific Islands Forum Secretariat

INTRODUCTION

1. The Forum Compact on Strengthening Development Coordination in the Pacific is a development compact agreed by Forum Leaders and endorsed by key development partners at the Pacific Islands Forum Leaders' annual meeting in Cairns, August 2009. The development compact sets out collective actions by Forum Island Countries (FICs) and development partners designed to strengthen coordination and use of development resources at the national and regional level. The actions taken are in line with international best practices as expressed in the Paris Declaration on Aid Effectiveness, the Accra Action Agenda, the Busan Partnership for Development Cooperation, and the Pacific Principles on Aid Effectiveness.
2. Peer reviews are a key package of this development coordination initiatives. They review and focus action on ways that FICs, with support from development partners, use their domestic resources and the aid they receive to ensure a better life for their people and make progress towards achieving their national priorities, including the Millennium Development Goals.
3. The Government of Samoa invited a team consisting of representatives from the Governments of Cook Islands, Tonga and PNG and World Bank as a development partner to look at the processes for formulating national development priorities, integrating these into budgets, as well as implementing plans and monitoring and reporting on results. Just as importantly, the Team considered how the country's development partners can act collectively and individually to support national priorities, systems and processes. The Government also invited observers from the Federated States of Micronesia and PNG. Supported by the Pacific Islands Forum Secretariat (PIFS) the team undertook the peer review between 11 to 21 November 2013. The Peer Review Team's Terms of Reference are attached as Annex 1.
4. As background to the review, the Team examined a suite of documents which included the current Strategy for the Development of Samoa (2012-2016); National Infrastructure Strategic Plan 2011; a number of Sector Planning and budget documents from various ministries such as the Ministry of Health



Town Clock, Apia.



Standing, Back Row – L-R: Leasiosiofaasisina Oscar Malielegaoi, Former Assistant CEO, Budget Division, Ministry of Finance, Samoa; Mereseini Tuivuniwai, Communications Officer, PIFS; Standing, Middle Row – L-R: Portia Domonatani, Forum Compact Research Assistant, PIFS; Peseta Noumea Simi, Assistant CEO, Aid Coordination and Debt Management, Ministry of Finance, Samoa; Sonja Shankar, (Former) Secretary to the Director SPCP, PIFS; Evelyn Adolph, Director, Office of Statistics, Budget and Economic Management, Overseas Development Assistance and Compact Management, FSM; Linda Taman- Eko, Acting First Assistant Secretary, Foreign Aid Division, Department of National Planning and Monitoring, PNG; Charmina Sali, Regional Planning Adviser, PIFS; Hinauri Petana, PIFS Peer Review Consultant; David Knight, Economist, Poverty Reduction and Economic Management, World Bank; Sitting – L-R: Ruby Zarriga, (Former) Secretary of Department of National Planning and Monitoring, PNG; H.E. Hon. Tuilaepa Lupesoliai Aiono Sailele Malielegaoi, Prime Minister of Samoa; Lesieli Tufui Faletau, Deputy Secretary of Finance and National Planning, Tonga.

and Education; the government's Development Cooperation Policy; the government's current budget documents 2013/2014, Minister's speech, and fiscal policy; public finance management reform plan documents (PFMP) for phase 1 which was produced in 2008, and the second phase covering the period 2009-2011. A Public Expenditure and Financial Assessment Report (PEFA) was issued in April 2010. Since then, the Team has learnt that Samoa has had three such reports, and all noted the steady progress made by Samoa on the implementation of its reforms in these areas.

5. The Team held extensive consultations that included a meeting with the Honourable Prime Minister, senior politicians of both political parties including the Speaker of the House, senior staff of key ministries and agencies of the government, the private sector, non-governmental organizations, and development partners.
6. Of all the ministries the Team met with, time was spent with the Ministry of Finance (MOF) because

of the reform initiatives the government undertook since 1995 under its public sector reform program in the areas of the budget and planning led by MOF, resulting in major changes to the government functions. Prior to 1995, grant aid was administered by the Ministry of Foreign Affairs and Trade (MFAT) while the European Union Program and all loans were administered by MOF. Following the restructuring in 2003 of the public service, the Economic Aid Division of MFAT was transferred to MOF, to ensure effective coordination and transparency in the use of both domestic and external resources through the budget to finance sectoral priorities in the SDS. Annex 2 lists all those the Team met with.

7. This report is organized into five parts: i) Introduction; ii) Background; iii) Findings on the four areas of Planning, Budgets and Performance Management, Public Financial Management and Aid Management; iv) Recommendations; and v) Next Steps.

BACKGROUND

8. Of those countries that have been reviewed, the Team noted that in sharing its experience, Samoa had the advantage of being:
 - the first Pacific country to implement a public sector reform program in the early 90s' with the introduction of a two year Statement of Economic Strategy for Samoa from 1995 to 1997;
 - among the first nations in the world to implement a performance/output based budgeting system in 1996;
 - one of the first countries to institute human resource reforms in 1998 which included institutional strengthening of most ministries and the start of reforms towards devolution of HR functions;
 - initiated SOE reforms in 1998, including privatisation of a number of SOEs given the

impact of their operations around 20% on the budget;

- instituted deregulation of the financial sector around the same time.
9. Samoa remains one of the better managed small island economies in the region, despite its small size, limited natural resources and vulnerability. Following the major losses incurred by successive natural disasters faced in 1990 and 1991 and a taro-leaf blight in 1993, the resilience of Samoa's economy, effective macroeconomic management supported by development assistance brought about a period of relatively high economic growth and low inflation. After the country was again hit by natural disasters in 2009 and 2012, the government's capacity to respond, supported by community and development partner assistance has facilitated a relatively well-managed and quick recovery.



L-R: Richard Neves, Financial Secretary, Cook Islands Ministry of Financial and Economic Management; Hon. Fonotoe Nuafesili Pierre Lauofo, Deputy Prime Minister of Samoa. Taken during the Samoa Peer Review, Nov 2013



Fiame Mataafa Mulinu II, Government Building, Apia

10. Samoa's strong macroeconomic management and public sector institutions are a result of years of sustained reform effort, particularly the public sector reform program which began in the mid-1990s. The success of this long-standing reform programme is directly linked to strong, stable and committed political leadership, and institutional strengthening of central agencies. The early budgetary reforms and the development of the SDS, has naturally led to the implementation of sector planning and a shift to a more results based framework for both planning and budgeting, transitioning from outputs to outcomes in 2012.
11. The restructuring of the public service in 2003 which led to the strengthening further of the allocative function of the MOF and effective coordination of domestic and external aid resources, has been the key to targeting financing of key sector priorities through the budget. The most recent development of direct budgetary support from development partners has provided further flexibility across sectors, in support of the government's national development focus. This new initiative from donors is a welcome development in support of the partnership arrangements that have evolved over time, as governance structures, processes and systems become more developed and integrated in the use of such financing modalities.
12. As part of this ongoing reform process, the MOF in 2008 embarked on a Public Finance Management Reform Plan (PFMRP) and has already undergone three Public Expenditure and Financial Accountability (PEFA) assessments which have shown continuous marked improvements across a range of areas. This has been the result of sustained PFM reform efforts over a number of years.
13. Samoa has made progress to engage the private sector, civil society and NGOs in its development dialogue, especially in sector planning and budgeting.
14. At this stage, Samoa has met three of its Millennium Development Goals (MDGs) and is on track to meet most if not all of its MDGs.



Samoa Head Of State Susuga Tuiatua Tupua Tamasese Efi with Masiolo Filiilia on the right. To his left is His Majesty Aho'eitu 'Unuaki'otonga Tuku'aho Tupou VI from the Kingdom of Tonga witnessing the Samoan Police March Pass during Independence celebrations in Apia 2012.



Traditional Samoan Fire Dancers during a performance at Le Manumea Hotel, Samoa.

KEY FINDINGS

15. The strong leadership and political commitment to the reform process over the last 20 years is a notable feature that has strongly supported Samoa's economic and financial reforms. Notwithstanding this political stability, strengthened institutional capacity and a

national vision of a better life for all Samoans, the Team focused on reviewing the four key pillars of this economic management process, being the planning framework, the budget, public financial management, and aid coordination.

Planning

16. Samoa started its recent development planning in 1995 with the introduction of a 2 year Statement of Economic Strategy 1995-1996 and then gradually to 3 year plans. In 2008, the government moved to implementing a four year Strategy for the Development of Samoa (SDS 2008-2012), the second such strategy, covering the period 2012 to 2016, is to allow enough time for implementation of priority programs supporting the SDS, and a medium term review to take stock of progress. Sector planning was also introduced in the mid 1990s although at varying pace at the beginning.
17. The various iterations of the SDS are widely recognised across all stakeholders as the key policy

frameworks that guide national development in Samoa. This is a key strength in that there is strong national ownership and clear direction for overall development that also guides development partner engagement.

18. To date, all 14 sectors defined in the SDS have in place sector plans, with some into their second and third iterations. This has been largely a result of sector planning capacity within the leading agencies and available development partner support in some.
19. To improve the links between the sector plans and the budget, the government has introduced The Medium Term Expenditure Frameworks (MTEFs) for



Primary School Children, Apia



L-R: Lita Lui, Principal Aid Officer, Ministry of Finance, Samoa; Jean Viliamu, Principal Officer Climate Resilience Investment Coordination Division, Ministry of Finance, Samoa; Seira Fuimaono, Former Principal Macroeconomic Officer, Ministry of Finance, Samoa; Litara K Taulealo, Coordinator of the Climate Resilience Investment Coordination Division, Ministry of Finance, Samoa; Peseta Noumea Simi, ACEO, Aid Coordination and Debt Management Division, Ministry of Finance, Samoa; Leiataua Henry Ah Ching, ACEO, Economic Planning and Policy Division, Ministry of Finance, Samoa.

each sector plan. MTEFs are not just a budgeting tool, but it is also an important planning tool so that you can match what is to be delivered with available resources and capacity. Absorptive capacity of both government and development partners should be a consideration in the preparation of sector plans and MTEFs.

20. There are opportunities for civil society, the public and the private sector to engage with the planning and governance process at its various levels. Civil society and the private sector are represented at relevant sector committees and there is NGO representation at the Cabinet Development Committee (CDC). This committee endorses all government initiated projects for both domestic and external funding that are in the SDS. It also follows up on the progress of implementation and includes all Cabinet Ministers and heads of ministries and government agencies. It is chaired by the Prime Minister, with its secretariat being the MOF.
21. The private sector and the public are represented on SOE boards. All parties are invited to participate in public consultations on the SDS and the budget. Much of this progress also relates to how these bodies have organised themselves to work with the government. There was stronger interest however from the civil society and the private sector for more meaningful, structured and reciprocal dialogue with the government on issues.

22. Overall Samoa is to be commended for its strong focus on implementing the SDS and the work carried out in sector planning. However, sector plans need to be evidence based using existing statistics and information available across government and in the Bureau of Statistics. The involvement of the Bureau of Statistics in sector planning and national policy making processes should be an integral one to ensure quality statistics for planning and monitoring. It was also felt that the issue of capacity should be clearly monitored so that these sector plans can be sustained.
23. The Peer Review Team was of the view that there may be a need to prioritise and streamline the number of sector outcomes and key indicators for easier and more effective management, as well as continue work on promoting consistency in the approach to developing indicators and understanding of terminology around monitoring and evaluation. This has been identified by the MOF as a remaining challenge and the government is seeking technical advice to address it.
24. The government is to be commended on the coordination mechanisms it has established, such as project steering committees, sector coordination committees, working groups for some of these sector coordination committees, and Project Management Units (PMU). However, the demands of multiple coordination committees need to be managed carefully in light of limited capacity.



Children playing on the Lalomanu Beach, Taufua Beach Fales, Aleipata

To facilitate a whole-of-government approach to reforms and policy making, government may wish to consider making increased use of the Central Agency Coordinating Committee (CACC). Additionally, the loss of skills from the closing of PMUs with the completion of the projects that have PMUs, raises the issue of sustainability if there has been no build up of agency competencies and management experience during the tenure of these PMUs. In the case of the PMU for the SWAP in Health, the PMU has been incorporated into the Ministry Of Health organisational structure, providing stability and strengthening further the technical capacity of that ministry.

25. In general, there are different expectations amongst some of the stakeholders on the length of national planning horizons. While the team recognises the effectiveness of the SDS as a medium term planning tool, some stakeholders see potential value in planning beyond the four year term of the SDS. In some sectors, the planning period is for 10 years while most are 5 year plans. This raises the question as to whether there is a need for a longer term vision plan, to complement and guide the 4 year

term medium planning reflected in the SDS, or is there a need to elaborate a more detailed long term vision in the SDS. The authorities are better placed to gauge the need for change in the planning outlook, and with the experience of other member countries that have gone into long term planning, may wish to explore this further, although it is understood that Samoa had previously adopted long term plans of 7, 10 and 20 years respectively in the past. There is more recent and successful experience in the region of setting long term policy frameworks to guide medium term national development planning.

26. Finally, the role of the Ministry of the Prime Minister and Cabinet (MPMC) was seen to be a critical one in strengthening a whole of government approach, oversight of planning, and monitoring implementation of government policies. The Team learnt of a recently completed institutional strengthening programme of the MPMC and resulting restructuring to strengthen its capacity, and in that regard, hope these changes will lead to a more effective role of the MPMC in planning and other reforms.



Photo taken during Consultations with Private Sector Representatives. Standing – Back: Grant Percival, Natural Foods International. Standing Middle Row – L-R: Robert Utz, Senior Economist, Poverty Reduction and Economic Management, World Bank; Hinauri Petana, PIFS Peer Review Consultant; Linda Taman- Eko, Acting First Assistant Secretary, Foreign Aid Division, Department of National Planning and Monitoring, PNG; Ane Moananu, Samoa Chamber of Commerce, Charmina Saili, Regional Planning Adviser, PIFS; Evelyn Adolph, Director, Office of Statistics, Budget and Economic Management, Overseas Development Assistance and Compact Management, FSM. Sitting – L-R: David Knight, Economist, Poverty Reduction and Economic Management, World Bank; Alaalatoa S. Lene, Samoa Commercial Bank, Josepho Bourne, Samoa Commercial Bank, Ruby Zarriga, (Former) Secretary of Department of National Planning and Monitoring, PNG; Lesieli Tufui Faletau, Deputy Secretary of Finance and National Planning, Tonga; Margaret Malua, Vice President, Samoa Chamber of Commerce.

Budgets and Performance Management

27. Samoa's budget cycle adopts a fairly rigorous process in developing forward estimates on a three year basis, closely aligned to the government's fiscal policy and debt strategy. The budget process is well respected by line ministries and there is usually good interaction between the line ministries, SOEs and the MOF. Over the last four years Samoa has incurred high budget deficits as well as escalating debt to unsustainable levels which have stemmed from loans to recover from recent natural disasters, support development in priority sectors and infrastructural investment. It is essential that Samoa maintains its trajectory path towards reducing its budget deficit and overall debt to target levels specified in the SDS in order to maintain macroeconomic stability while it continues with the implementation of its reform program.
28. The Team has noted improvement in the availability and quality of performance information in the budget with the change from output to outcome based budgeting. However, the Team also acknowledges the challenges of ensuring manageable and monitorable indicators.
29. One of the key developments of this sector planning process is the move to developing MTEFs for each of the sector plans. To date only six such MTEFs have
- been developed with varying degrees of complexity. The veracity of the methodology in costing these MTEFs is yet to be consolidated into one approach across government for consistency and simplicity for easier management. The Team recognises that the process of developing MTEFs can be complex and demanding, and raises the issues of capacity and resource constraints.
30. Well-costed MTEFs are an important tool to strengthen linkages between the budget, human resource plans and sector plan priorities for ministries. Some stakeholders still believe there is room for improvement in linking the budgets and sector plans. In the Team's view, where forward estimates are robust and relate closely to existing sector plans, these should continue to be used in place of MTEFs until such time these MTEFs have been simplified and properly costed on a realistic basis.
31. There is a dependence on donor assistance to fund development. With development partners shifting from social to the economic sector as well as uncertainty of future funding and graduation from Least Developed Country (LDC) status, this has implications on future financing of development strategies of the SDS as well as support programmes



Left Side of the Table - L-R: Leiataua Henry Ah Ching, ACEO, Economic Planning and Policy Division, Ministry of Finance, Samoa; Leasiosiofaasisina Oscar Malielegaoi, Former ACEO, Budget Division, Ministry of Finance, Samoa; Tofilau Lae Siliva, (Finance Sector Coordinator, Ministry of Finance, Samoa), Charles Ah Poe, ACEO IT, Ministry of Finance, Samoa; (Far end of the table) Michael Kapisi, Former Principal Officer for SOEMD, Ministry of Finance, Samoa. Right Side of the Table - L-R: Evelyn Adolph, Director, Office of Statistics, Budget and Economic Management, Overseas Development Assistance and Compact Management, FSM; Robert Utz, Senior Economist, Poverty Reduction and Economic Management, World Bank; Richard Neves, Financial Secretary, Ministry of Financial and Economic Management, Cook Islands; Hinauri Petana, PIFS Peer Review Consultant.



Samoan girls after church, Siumu, Samoa



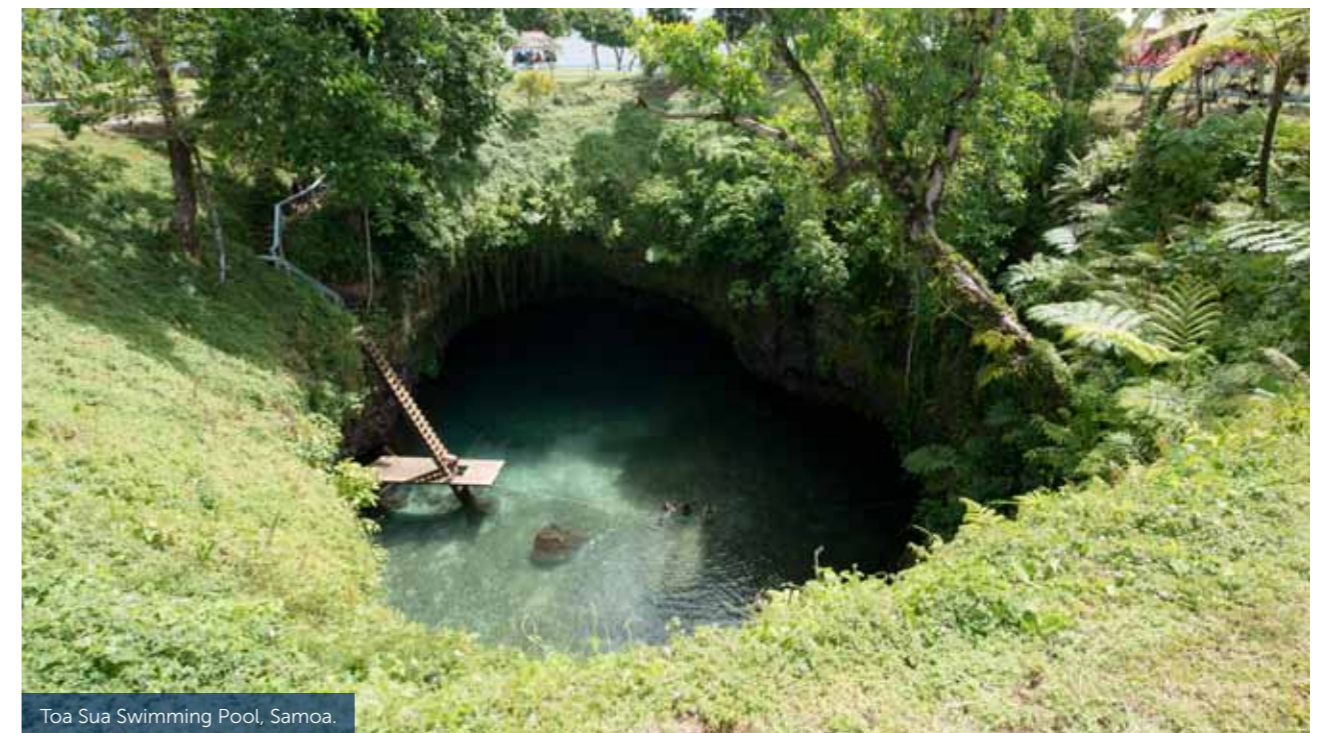
Samoan Taupou at Independence celebrations Apia 2012

for civil society and the private sector. The full implementation of the trade agreements under negotiation such as the PACER Plus, the PICTA, the EPA, and full implementation of the WTO agreement may have some impact on the revenues.

32. The proposal by the Public Service Commission to link performance of CEOs to budget outcomes and the improvements to PSC's management information systems together with the introduction of appropriate checks and balances provides an opportunity for greater devolution of selective HR functions to line ministries relative to their capacities. This would promote a more holistic approach to resource management. There is already experience in Cook Islands and PNG on this process where the CEO has hiring and firing authority whilst establishment levels remain with the Department of Personnel Management.
33. The Team noted the major reforms undertaken to improve SOE performance, towards strengthening their overall financial viability and service delivery. The State-owned Enterprise Monitoring Division (SOEMD) of the MOF monitors closely the performance of SOEs with quarterly and annual reports to the shareholding and portfolio ministers, and have begun releasing publically summary reports for all SOEs. However, the recent and planned establishment of new SOEs entails significant set-up and operational costs and will need careful monitoring. The Team

noted the corporatisation/privatisation program of the government, and most recently, looking at the use of PPPs where appropriate. The government is encouraged to be more proactive in its privatisation program, mindful of the absorptive capacity of the private sector.

34. The government has exceeded its debt target in the SDS. However, the Team recognises that a significant part of this is because of the response to the recent natural disasters in 2009 and 2012. Going forward, we note that the budget deficit is on track to be brought in line with the SDS budget deficit targets and that the government is following its Debt Management and Fiscal Strategies.
35. The Team noted that the budget once tabled in Parliament, undergoes review by the Public Accounts Committee within 14 days. Given the growth in the size of the budget and extensive coverage of all sectors, the experience elsewhere from 21 days to a month in some of the Pacific states is an important point for the government to consider. This is to ensure that Parliament has adequate time for monitoring and evaluation of the budget against planned outcomes. This could also be addressed by providing additional opportunity for reviewing budget performance through inclusion of the Public Accounts Committee in the half yearly government budget review.



Toa Sua Swimming Pool, Samoa.



Aerial view of Nuulopu and Nuutele Islands with Upolu in the background, Aleipata District, Samoa

Public Financial Management

36. The government is to be commended for taking a structured and sustained approach to strengthening its PFM systems. The Team has noted the country's strong commitment to the process having undertaken three PEFA's. Implementation of the second phase of their PFMRP is nearing completion. A third PEFA was carried out recently, and is currently awaiting final endorsement by the government.
37. In November 2012, the annual PFMRP report noted strong progress across most reform areas. However, the report highlighted remaining challenges such as procurement in line ministries, the effectiveness of internal audit and the delayed implementation of the projects module in Finance 1. Looking ahead, the challenge now is to consolidate on progress made and ensure adoption across the public sector. With strengthened PFM capacity within the MOF, this should support PFM capacity building in line ministries including timely dissemination of information on PFM reform initiatives.
38. The few areas highlighted by the Team in its discussions include the current practice of pre-auditing every transaction thereby reducing the efficiency of service delivery with delays in payment. The team acknowledges the significant progress made by the Auditor General's Office to bring up to date audited financial statements for the whole of government. However, there have been delays in the scrutiny of the audit reports in the Legislative Assembly.
39. The Team notes that there has been significant investment in audit functions in line Ministries with a total staff of 38 throughout a number of ministries and corporations, and 50 staff in the Auditor General's office itself. While this reflects the commitment to accountability, the sustainability of the cost related to this level of investment, when considering the improvements to the FMIS of the government does provide a good basis for reviewing the comptroller functions of the Auditor General's office. With the improvements overall to the PFM systems, the timing may be right to reconsider this function as there are concerns from line ministries on the lengthy delays in payment of suppliers for goods and services due

- to pre-auditing of all transactions regardless of size or risk.
40. Some of the major initiatives have been implemented by the government to respond to the 2nd PEFA in the areas of debt management and procurement, as well as systems support to the government's FMIS, Finance 1. The MOF has established three units to address these important areas, and already there are improved reconciliation and quarterly reporting on government's debt position; finalization of a procurement manual and issuance of a new Treasury Instructions, the last being issued in 1977; and ongoing support to strengthen the FMIS. Information on all projects are updated on separate spreadsheets because of the delays in implementing the project module for Finance 1, and remain as work in progress in the MOF.
41. The team commends the governments and development partners' joint initiative to strengthen the capacity of Parliament to undertake its oversight functions through the Parliamentarian Support Programme. Whilst this has been acknowledged by the Parliamentarians as a major step in building their capacities, they stressed the importance of sustaining this initiative. This will ensure all Parliamentarians are continually updated on the reforms, participate in the preparation of the SDS, gain more understanding of sector planning, budgetary reforms and their linkages to the SDS. It is also essential to strengthen the capacity of the support staff to assist Parliament and its many select committees.
42. The government issued last year the Finance Sector Plan, and the Central Bank of Samoa is amongst the lead agencies for the implementation of the Finance Sector Plan under the auspices of the Finance Sector Plan Coordinating Committee (FSPCC). The Central Bank is governed by a number of legislation ranging from the Central Bank Act of Samoa 1984 & 2010, Financial Institutions Act 1996, Money Laundering Prevention Act 2007 and Insurance Act 2007. The Main functions of the Central Bank include regulation of the issue, supply, availability and international exchange of money, and advising the government on banking and monetary matters as well as promoting a sound financial structure.
43. Whilst the Central Bank works in close collaboration with the government, it maintains strong independence in the setting of monetary policy under its mandate as stipulated in the Central Bank Act of Samoa 1984.



Samoa Peer Review team during consultations, Australia High Commission Office, Apia. L-R: Anthony Stannard, Counsellor for Development, Australian High Commission, Samoa; Evelyn Adolph, Director, Office of Statistics, Budget and Economic Management, Overseas Development Assistance and Compact Management, FSM; David Knight, Economist, Poverty Reduction and Economic Management, World Bank; Lesieli Tufui Faletau, Deputy Secretary of Finance and National Planning, Tonga; Richard Neves, Financial Secretary, Ministry of Financial and Economic Management, Cook Islands. Taken during the Samoa Peer Review, Nov 2013. Apia.



Standing – L-R: Graeme Tualaulelei Clerk Assistant – Committee; Tofa Agafili Patisela Eteuati Tolovaa Deputy Speaker; Linda Taman- Eko, Acting First Assistant Secretary, Foreign Aid Division, Department of National Planning and Monitoring, PNG; Charmina Saili, Regional Planning Adviser, PIFS; David Knight, Economist, Poverty Reduction and Economic Management, World Bank; Robert Utz, Senior Economist, Poverty Reduction and Economic Management, World Bank; Sitting – L-R: Lesieli Tufui Faletau, Deputy Secretary of Finance and National Planning, Tonga; Hon. Laauli Leuatea Polataivao Fosi Schmidt, Speaker of Parliament; Ruby Zarriga, (Former) Secretary of Department of National Planning and Monitoring, PNG; Evelyn Adolph, Director, Office of Statistics, Budget and Economic Management, Overseas Development Assistance and Compact Management, FSM.

Aid Management

44. Samoa has very strong ownership of its development agenda, and there have been no tradeoffs on this principle. The government had long committed to driving and managing the use of development assistance to achieve the goals of its national strategy. Furthermore, the preparation of its Development Cooperation Policy with the ready engagement and support of development partners reflects the confidence of the donor community in the capacity of the government to coordinate and manage development assistance.
45. The Paris Declaration helped legitimise the reform agenda that had commenced in the 1990s. The Rome Declaration in 2003, which started the debate and thinking around greater country ownership and better alignment with country plans further provided the impetus to Samoa's own reform program and confidence that it had made the right choice in developing its national strategy. It also provided Samoa with the resolve to leverage its reform agenda with its development partners.
46. The previous fragmentation of the budget, planning and aid coordination under three different government agencies was brought together under one ministry with the restructuring of the public service in 2003. This led to the transfer of the planning function from the Prime Minister's ministry, and the aid coordination from the Ministry of Foreign Affairs and Trade (MFAT) to MOF. These key organizational changes helped consolidate both development aid resources and domestic resources for planning and budgetary purposes to support the SDS through sector plans and MTEFs. This major change in aid coordination supported the shift from projects to programme based planning and budgeting towards budget support linked to sector plans.
47. Budget support has emerged as a significant modality for delivering ODA over the recent past. This has increased the level of discretionary funding for the government and is a positive step towards reducing fragmentation, parallel systems and transaction costs in delivery of aid programmes.



L-R: Zhu Yue Sheng, CEO of Commercial Section, Embassy of the People's Republic of China, Samoa; Yang Liu, Deputy Head of Mission, Embassy of the People's Republic of China, Samoa; Ms Lesieli Tufui Faletau, Deputy Secretary of Finance and National Planning, Tonga; Mr Robert Utz, Senior Economist, Poverty Reduction and Economic Management, World Bank; Charmina Saili, Regional Planning Adviser, PIFS; Mr David Knight, Economist, Poverty Reduction and Economic Management, World Bank. Taken during the Samoa Peer Review, Nov 2013.



View of Nu'utele, Aleipata, Upolu

48. The government of Samoa has a relatively simple aid management database that is helping to track, manage and report on development partner support. This is an experience perhaps worth considering, given some of the experience elsewhere such as in PNG and Solomon Islands where it's complex aid management information system has been difficult to operationalise and sustain. The improvements in Samoa's PFM systems have also resulted in the increase in donor resources channelled through its country systems from 50% in 2009 to 75 % in 2013.
49. Samoa has enjoyed relatively high levels of aid. Its commitment to reform and good track record in accountability, as well as developing a national plan with clear articulated goals, have set a sound foundation for investment by development partners. The levels of aid over the last 4 years at 20% of GDP, is reflective of this engagement.
50. However, there has been slow utilization of current committed aid resources. The government has advised that it will not seek to increase the level of funding or engage new development partners, as it works to utilise current resources. In this regard, it would seem that increasing its rates of utilization would be a challenge given its current limited capacity

to deliver. It must be noted however that the current high levels of aid also relate to full implementation of the government's post recovery programme from the effects of the tsunami in 2009 and Cyclone Evan in 2012. Across government, it was noted that some development partner administrative and programming requirements can hinder programme implementation and adversely impacted on intended programme outcomes. Examples cited included multilateral banks and global funding procedures and procurement systems and conditions.

51. At present, the government meets with development partners on a quarterly basis. These meetings are instigated by the government, although there have been some delays to meeting this year. The government's heavy work schedule in a post disaster environment may be a strong factor for these delays as key personnel may not be available, however, some development partners have indicated their preference for advance notices and papers for these meetings, to allow adequate time for consultations with their capitals.
52. There is clearly an established process for accessing donor funding through the CDC initially, and then the Aid Coordinating Committee (ACC). This

consolidates the management of external assistance for sector priorities, and while ministries and agents of government can make informal approaches to development partners, final endorsement comes from the CDC and ACC.

53. The multiple project steering committees, project management units and sector steering committees raised concern with the Team on their ability to deliver on the outputs, and whether there were tradeoffs in efficiency gains from their structure and how these many layers of committees could hinder effective management and timely delivery. One idea that is raised for the government to consider is the PNG experience where all donor funded infrastructure projects are managed under one PMU with the Ministry of Works. This has also been successfully done in the Samoa SWAP for Health and may be something to consider across the board given the plethora of Project Steering Committees (10) and PMUs (10) under one ministry (MNRE) which is also the lead agency for two sector plans and sector steering committees.
54. There is a shift from the social sector to the economic sector by two major bilateral development partners, who are currently engaged in the SWAPs

for education and health. These shifts do have implications for the sustainability of sector funding for these sector priorities under these SWAPs in the medium to long term.

55. One development partner felt left out of the dialogue on development assistance, especially in sector planning, however, the MOF clearly felt that, as the government was moving away from small projects with large administrative and transaction costs, it may be more efficient and expedient to merge their programs under one programme.
56. The Team felt that CSSP is a good mechanism for channelling and coordinating donor and government support to civil societies and NGOs. Other Forum Island Countries could consider engaging their development partners to support their civil societies under similar approaches. Development partners such as JICA with the Japanese Grass Roots Small Grants Programme and the UN GEF SGP should consider joining the CSSP to reduce duplication, and improve aid delivery to the CSO community under one funding source.



View of the sea through a Samoan Fale, Reginas Beach Fales, Savaii Island



Living quarters of Robert Louis Stevenson, RLS Museum, Vailima, Samoa

RECOMMENDATIONS

Recommendation 1 :

The government is encouraged to examine whether there is potential value in planning beyond the 4 year term of the SDS, given the expectations of some stakeholders, especially the social sectors where the planning period is 10 years. As well, while there are a few sectors with 10 year plans, most are 5 year plans. There may be a need for a longer term vision plan, to complement and guide the 4 year term medium planning on which the SDS is premised.

Recommendation 2 :

The introduction of MTEFs needs to be carefully monitored to ensure there is real value gained, given the issue of capacity in the ministries responsible for the development of sector plans to cost out these plans. Such a rigorous process needs to be well understood and bedded down across government. To aid this process, the government

may need to prioritise and streamline the number of sector outcomes and key indicators for easier and more effective management, as well as continue work on promoting consistency in the approach to developing indicators and understanding of terminology around monitoring and evaluation.

Recommendation 3 :

The government has instituted coordination mechanisms such as project steering committees, sector coordination committees, working groups for some of these sector coordination committees, and PMUs. However, the demands of multiple coordination committees need to be managed carefully in light of limited capacity. Additionally, the loss of skills from the closing of PMUs with the completion of the projects that have PMUs, raises the issue of sustainability if there has been no build up of agency competencies and management experience during the tenure of these PMUs. To



Samoan boy taking coconuts home from family plantation, Savaii Island, Samoa



Mataafa Fiame Mulinu'u - Government Building with Central Bank Building and Tupuu Tamasese Meaole II Building in the background

facilitate a whole-of-government approach to reforms and policy making, government may wish to consider making increased use of the Central Agency Coordinating Committee (CACC), or else it could be an added function of the CDC.

Recommendation 4 :

The government has implemented a suite of reforms over the last 20 years to improve national prioritization and resource allocation through the adoption of a medium term planning framework based on sector planning, assisted by the shift to performance based budgeting. With the ongoing reforms in the PFM systems and efforts to integrate the plans and the budget through MTEFs, it is imperative that the government focuses on streamlining functions and processes and to ensure adequate capacity, engagement and communication across the whole of government ministries and agencies for effective

implementation, and to ensure sustainability of these reforms.

Recommendation 5 :

Despite the strong progress made across most reform areas in the PFRMP, the remaining challenges are in the areas of procurement in line ministries, the effectiveness of internal audit and the delayed implementation of the projects module in Finance 1. The few areas highlighted by the Team in its discussions include the current practice of pre-auditing every transaction thereby reducing the efficiency of service delivery with delays in payment. With the improvements to the FMIS of the government, the timing may be right to reconsider this function as there are concerns from line ministries on the lengthy delays in payment of suppliers for goods and services due to pre-auditing of all transactions regardless of size or risk.

NEXT STEPS

57. The recommendations that the Peer Review Team have made are more towards refinement of processes and systems that have evolved with the introduction and implementation of a suite of reforms in the areas of planning, budgeting and performance management, public financial management, and aid coordination. As well, the Team has noticed the issue of ensuring adequate capacity in some ministries and agencies with the implementation of budgetary reforms and the SDS, particularly in the areas of costing sector plans. There is also need to further build capacity for more robust definition

of performance indicators for effective monitoring and evaluation where these are integrated in MTEFs. Development partners can consider the above recommendations for ongoing support to ensure these reforms are well entrenched.

58. It is proposed that a simple Monitoring and Evaluation Framework and indicators be agreed between Government, development partners and PIFS, which will be developed and used to track the implementation of the Peer Review Team Recommendations (recommendations to the Government, Development Partners and PIFS).



Front View of Villa Vailima. Robert Louis Stevenson Museum.

Annex A: Samoa Peer Review Terms of Reference

1.0 Purpose

This note sets out Terms of Reference for a peer review of Cook Island's national development planning, budgeting, public financial and aid management institutions, systems and processes under the Cairns Compact on Strengthening Development Coordination in the Pacific (Forum Compact).

2.0 Background

Through the Cairns Compact, Forum Leaders agreed in August 2009 that the Pacific Islands Forum Secretariat (PIFS) should establish and report annually to the Forum Leaders on a process of regular peer review of Forum Island Countries' (FICs) national development planning, budgeting, public financial and aid management systems and processes to:

- promote international best practice development effectiveness,
- improve effective budget allocation processes; and
- guide support from development partners.

The peer review process is also to guide improvements in development effectiveness, inform discussions at the Pacific Islands Forum and Post Forum Dialogue.

Peer reviews are an opportunity for mutual learning between FICs, their peers in other FICs and development partners (traditional and emerging donors) and about how best to address development coordination challenges. The peer review process is intended to contribute to reinforcing country leadership over the establishment of national priorities, and enhance the capacity of countries to guide the use of development resources – both government and development partner funded resources.

The Cook Islands Peer review is planned in conjunction with the Cook Islands Public Expenditure and Financial Accountability (PEFA) being organised by the Pacific Financial Technical Assistance Centre. The previous PEFA resulted in the Cook Islands Public Financial Management road map which supports a suite of initiatives including midterm budgeting framework, the Parliamentary oversight committee and procurement capability.

Given this context the Cook Islands requests the review team to particularly focus on the public policy making system and in particular stakeholders information needs, evidence production and usefulness (content, form), analysis capability and use in decision making. The peer review will inform three key work streams being the Prime Minister's office Strengthening Policy and Planning in the Public Service and the Ministry of Finances' Statistics Divisions national strategy for the development of statistics and the Development Coordination Divisions activity management cycle and national implementing entity projects.

Finally, in the spirit of boarder partnerships for development, the review team will include observers from the People's Republic of China, NZ Embassy, Niue and the Republic of the Marshall Islands.

3.0 Issues for review

The Peer Review process will consider the following issues in line with globally (Busan, Paris, Accra) and regionally (Pacific Principles of Aid Effectiveness) accepted principles for development effectiveness:

Ownership: Pacific Aid Effectiveness Principles 1, 3

- Processes for preparing and reviewing well developed and costed national and sectoral/thematic development plans/strategies. Integration of the national Climate adaptation and mitigation program providing focus for the review team.
- Links between the national and sector development plan/strategies and budgets

Alignment: Pacific Aid Effectiveness Principles, 2,5,6

- Alignment of development partners plans/programmes and funding to the national national/sector budgets and financial management systems. Extent to which and sector development plans/strategies have been successful in targeting ODA.

Harmonisation: Pacific Aid Effectiveness Principle 4

- Harmonisation of and amongst development partners' development assistance, programming, monitoring processes to reduce transaction costs on government systems and resources

Managing for Results: Pacific Aid Effectiveness

Principle 7

- Innovating in practice, ensuring openness to emerging tools, given aid effectiveness literature relies more on traditional accountability institutions like auditing and Parliamentary oversight,
- Mechanisms, processes and frameworks for monitoring the implementation of the national development plans/strategies focused on results and outcomes.
- Gaps in the policy framework such the deficit of personnel across the public service with a sound understanding of the principals of policy development.
- Policies that lack ownership by implementing agencies resulting in outdated legislation, no policy foundation on which base updates; and absence of rigor and evidence used to evaluate policy implementation and performance of the public service in general.

Mutual Accountability: Pacific Aid Effectiveness

Principle 7

- Mechanisms, processes and systems for collective (government and international, national and local development partners) assessment, monitoring and review of development programmes/resourcing to improve the effectiveness of development assistance.
- Sustaining improvement of monitoring and evaluation institutions and development of innovative tools especially adapted to small island context that better engage and inform a broader cross section of stakeholders (at local, national, international levels) in National Sustainable Development.

Following are the detailed considerations for the Peer Review:

Ownership:

- Processes for preparing and reviewing national and sector/thematic development plans, including:
- effective policy development – to what extent are domestic stakeholders (parliamentarians, government, councillors and development partner officials, civil society leaders and private sector groups) engaged in the preparation,

monitoring, reporting and review of national development plans;

- transparency and effective communication - the extent to which the Government has communicated national and sector plans within Government and to other domestic stakeholders;
- relevancy and efficacy - whether the national and sector or thematic plans such as climate change, adaptation, renewable energy, water, sanitation define a clear set of development results and set realistic timeframes.
- learning processes - the extent to which the Government has systematised the learning process in policy making (e.g. priority setting, scheduled evaluations, recognised the importance of feedback loops).
- Links between plans and budget allocations, including:
- the extent to which existing plans (e.g. adaptation, gender, water, education, gender, youth) are supported by realistic and appropriately costed annual budgets; and
- the usefulness of further sector plans given the risk of developing unfunded highly technical solutions, cost in time and money, importance of interconnecting sectors and issues (PIFS, 2013) in plans like the Cook Islands Infrastructure Investment plan under development.

Alignment and Harmonisation

Relationship of development partners to national and sector development plans, including

- compare and contrast the extent to which development partners align their assistance to national, capital, sector and thematic plans in a coordinated manner. Review climate change, water, energy and education;
- assess the impact of Cook Islands efforts undertaken as part of the PFM road map, if any, on the above;
- the extent to which recommendations of the donor round table and country profile are practiced. # joint missions/assessments, # of projects, ODA % funding at least national programmes; % in budget support, and
- the extent of use/duplication of/with national (government and other domestic stakeholder)



Samoan Girl performing traditional Samoan Dance at Le Manumea Hotel, Samoa.

systems. Modalities development partners are trending to deploy.

Managing for Results and Mutual Accountability

Monitoring the implementation of national and sector/ thematic development plans, including

- review of existing processes and frameworks for tracking and reporting progress against outcomes in national and thematic/sector plans,
- the extent to which innovative social accountability mechanisms such as community scorecards, citizens charters, social auditing, social expenditure-tracking, etc could be appropriate to the Cook Islands (small population and community family structure) context.

Evidence based policy - how systematically evidence (both quantitative and qualitative) is generated and used to develop and improve plans and allocate resources. In particular consider:

- the extent to which evidence is used to inform policy conclusions;
- to what extent progress reporting is based on rigor and evidence obtained by statistics or other metrics to evaluate progress on policy implementation and performance of the public service in general.
- how to coordinate key work streams to improve the system including the Prime Minister's office Strengthening Policy and Planning in the Public Service (includes PSC performance framework) and the Ministry of Finances' Statistics Divisions national strategy for the development of statistics and the Development Coordination Divisions activity management cycle and national implementing entity projects.
- Assess the capacity for policy development across personnel in the public service and key partners.

4.0 Outputs

The key output from the peer review process will be an Aide Memoire and Report prepared by the review team and agreed by the Government that will summarise the available evidence, based on existing documents and in-country consultations, to draw conclusions on the above issues as the basis for:

- Recommendations to the Government on how it can strengthen the public policy making process including:

- potential tools and system changes that would increase the quality of participation of domestic stakeholders, and, promote international research for relevant findings;
- systematic linkages between learning generated and adaptation of annual plans and budget decision making;
- systems that inform the prioritisation of initiatives needed to sustain and extend positive development trends;
- the Cook Islands aid effectiveness implementation plan, ODA policy and development partners meetings; and
- other significant findings.

Recommendations for development partners on how they can improve:

- coordination with and between regional development partners;
- the practice of higher order modalities which are coordinated using national systems with both national resources (lending/and other development partners.
- support for improved capability in the Cook Islands public policy process.

Broader lessons on the above issues for other FICs and development partners to consider through the Post Forum Dialogue and other regional meetings.

5.0 Peer Review Team

The review team will consist of up to two or three representatives from Samoa, Henry Ah-Ching, Collin Tavi of Vanuatu and representatives from development partners Ms Solstice Middleby of the Australian Agency for International Development (AusAID). Observers include Mr. Fan Zhang Economic & Commercial Counsellor, NZ Embassy of the People's Republic of China and officials from Niue and Republic of the Marshall Islands. The Peer Review Team will be supported by the Regional Planning Adviser, consultant, administrative and communications support team from the PIFS.

6.0 Stages of review process

6.1 Pre-Analytical review

With support of the Regional Planning Adviser, the consultant engaged by PIFS will consider the Government's key planning, MDGs, budgeting, PFM and aid management policy and reporting documents including self assessments (2010 Cairns Compact report, Paris Monitoring Survey Report, country profile, PEFA updates, country profile. An Information Brief will



Police March Past Head of States and guests, Independence celebrations 2012

be prepared for the review team and shared with the Government.

6.2 In-country review

The in-country peer review process will take no more than 10 working days.

Prior to the consultations, basic peer overview information will be published in the Cook Islands media to increase public awareness. The Peer Review Team will hold an Initial Briefing with the Political leadership (Prime Minister, Minister of Finance, NSDC) and Peer Review Focal Point/ Agency Development Coordination Division? to confirm the objectives and focus of the Peer Review and the stakeholders to be consulted.

The peer review team would then meet with relevant stakeholders agreed between the Government and the review team. It is anticipated that consultations will include:

- Political leaders including Traditional leadership (Te Koutu Nui/House of Ariki, Prime Ministers, Ministers, Parliamentarians, Island Councillors, Mayor, (Speaker or Vice Speaker of the House, Chair of Parliamentary Oversight Committees, Ombudsmen, President of the Mayor's Association).
- Representatives of non-state actors such as;
- organisations representing women, workers, youth, environment, media, people with disabilities;
- representatives of the private sector President of the Chamber of Commerce, Professional Business Women's Association, Tourism Industry Council, growers, fishers, business leaders.
- Senior officials in central planning, public service and financial management agencies (via NSDC, CAC) and key service delivery agencies (e.g. education, health, internal affairs, agriculture, fisheries, transport/infrastructure, commerce, tourism etc).
- Representatives of key development partners in country (NZ) and by telephone (e.g. ADB, EU, UNDP, SPC, SPREP).

A Peer Review Debrief will be held on the last day of the Peer Review in country where the Peer Review team will provide an Aide Memoire noting preliminary findings. Stakeholders from both government & non-government sectors and development partners will be invited to attend.

6.3 Post Peer Review Process

1. Preliminary Report by Peer Review Team

Within three to six weeks of the completion of the in country peer review visit, the Peer Review Team with support of the PIFS and consultant will produce and submit a preliminary Peer Review Report to the government for review and comment.

2. Government approval of the Peer Review Report

The host country will be asked to respond to the draft report within two to four weeks of receiving the draft and asked to approve a final Peer Review Report within twelve weeks of completion of the peer review visit.

3. Dissemination of the Peer Review Report

Within four weeks of host country approval of final peer review reports, Peer Review Reports will be published and disseminated widely by the PIFS to all Forum members and development partners via PIFS Circular and on the PIFS and Cook Islands government websites.

4. Host Country and PIFS Report on Peer Reviews to PIC-Partners and PPAC meetings

The host country and the PIFS will present the peer review report and a consolidated report summarising the peer reviews undertaken in 2013 at the Pacific Island Countries – Development partners meeting and the Pacific Plan Action Committee (PPAC) meeting. The conclusions of the peer reviews will be reported to the Forum Leaders meeting as part of the PPAC Chair's Letter to the Chair of the Forum.

5. Host Country and PIFS Report on Peer Reviews to Leaders and Post Forum Dialogue – September 2014

PIFS will present [a summary of] the peer review report and a consolidated report summarising the peer reviews undertaken in 2013 to Forum Leaders and the Post-Forum Dialogue to inform discussions on development coordination.

The Host country can also consider a high level report potentially through their leader's address to the Forum Leaders on their peer review process and follow up.

6. Development Coordination Action Planning, Resourcing and Implementation:

PIFS will attend the development partner roundtable 2014 (February 2014) to discuss concrete work plan/ actions and resource framework/division of labor for implementing the recommendations of the Peer Review Report.

The Cook Islands will integrate the Peer Review Recommendations into their ongoing national development planning, budgeting and aid coordination/management development strategy/ plan and processes.

A simple Monitoring and Evaluation Framework/ indicators should be agreed between the Government, development partners and PIFS will be developed and used to track the implementation of the Peer Review Recommendations).

7.0 Administrative and funding arrangements

In addition to the consultant, PIFS will provide logistical and administrative support to the peer review process coordinated by the Regional Planning Adviser.

The major costs of the peer review process will be met by PIFS. These costs include the consultant and administrative support provided by PIFS, travel by the peer review team and incidental costs incurred by the Government such as hiring meeting facilities and catering. The only significant costs to the Government will be the time of officials consulted. It is proposed that the development partner participating in the review team will cover their own costs.

The Cook Islands Government designated focal point is Peter Tierney, Development Coordination Division (DCD) of the Ministry of Finance and Economic Management. DCD will set up and manage the consultation process in close coordination with PIFS.



Crew from Pacific Voyagers taking a bus ride in Apia, 2012

Annex B: List of People Consulted

National Leaders	
Name	Title
H.E Hon. Tuilaepa Aiono Sialele Malielegaoi	Prime Minister of Samoa
H.E Hon. Fonotoe Nuafesili Pierre Lauofo	Deputy Prime Minister of Samoa
Speaker of the House, Parliamentary Reform programme	
Name	Title
Hon. Laauli Leuatea Polataivao Fosi Schmidt	Speaker of Parliament
Tofa Agafili Patisela Eteuati Tolovaa	Deputy Speaker
Graeme Tualaulelei	Clerk Assistant - Committee
Opposition Members	
Name	Title
Hon Palusalua Faapo II	Leader of Opposition, Member of Parliament for SAFTA
Hon AEAU Peniamin Leavai	Deputy Leader (PAC)
AFUALO Dr Wood Uti Salele	Member (PAC)
TAPUAI Toese Ah Sam	Member
TOEOLESULUSLU Cedric Schuster	Member
LEALALEPULE Rimoni Aiafi	Member (PAC)
Ministry of Finance	
Name	Title
Peseta Noumea Simi	ACEO, Aid Coordination & Debt Management Division
Leiataua Henry Ah Ching	ACEO, Economic Planning and Policy Division
Leasiosiofaasisina Oscar Malielegaoi	Former ACEO, Budget Division
Elita Tooala	ACEO, SOEMD
Charles Ah Poe	ACEO, IT
Litara K Taulealo	Coordinator of the Climate Resilience Investment Coordination Division
Lita Lui	Principal Aid Officer
Seira Fuimaono	Former Principal Macroeconomic Officer
Tofilau Lae Siliva	Finance Sector Coordinator
Jean Viliamu	Principal Officer, Climate Resilience Investment Coordination Division
Maliliga Peseta-Vasa	Principal Sector Officer, Economic Planning and Policy Division
Abigail Lee Hang	Principal Project Officer, Economic Planning and Policy Division
Michael Kapisi	Former Principal Officer, SOEMD
Ministry of Education	
Name	Title
Quandolita Reid-Enari	Acting CEO/ACEO PPRD
Meleia Reed	Acting ACEO
Vau Peseta	ACEO MERD

Peone Fuimaono	ACEO - Culture
Maimoana Petaia	ACEO - School Operations
Doreen Roebeck-Tuala	ACEO Curriculum, Materials and Assessment Division
Valma Galuvao	Sector Coordinator
Ministry of Health	
Name	Title
Palanitina Tupimatagi Toelupe	CEO, Ministry of Health
Eteuafi Iosia	Acting ACEO, HIS/ICT
Sarah Faletoesu Su'a	ACEO, SPPRD
Sosefina Talauta Tualaulelei	ACEO SDPD
Frances Breber	Registrar HCP
Darryl Anesi	SWAP Accountant
Violet Aita	ACEO, HSCRM Division
Christina Ulberg	Acting ACEO HSPQA-MA
Ulafala Aiavao	Technical Assistant
Pelenatete Stowers	ACEO, Nursing & Midwifery
Ministry of Women, Community and Social Development	
Name	Title
Leituala Kainiselani	CEO
Faanga Malitalo	ACEO - DCS
Feefatai Koria	ACEO - DFRPP (Research Planning)
Seletuta Visesio Pita	ACEO - Division of Youth
Rosa Teer-Siaosi	Community Sector Coordinator
Ministry of Natural Resources	
Name	Title
Taulealea Lumelina	CEO DEC
Elisaia Talouli	ACEO - CS
Filomena Neson	ACEO - DMO
Filisita Heather	ACEO - LMD
Faleafaga Tipamae	ACEO - DSC
Maefanna T. Pouli	ACEO FD
Ferila Brown	Acting ACEO - PUMA
Sialaalua Tiatia	WSV Coordinator
Anae Aokiso Leavosi	Principal Forest Officer
Ministry of Agriculture and Fisheries	
Name	Title
Fesu Sefu Sakaia	ACEO C&D
Peseta Frank Fong	ACEO, Policy, Plannin & Communications

Talei Fidow-Moori	Principal Quarantine Officer (Acting Assistant CEO)
Joyce Samuela Ah Leong	ACEO, Fisheries Division
Parate Matalavea	Principal Researcher (Acting ACEO, Crops)
Leota Laumata Pelese	ACEO, APHD
Ministry of Commerce, Industry and Labour	
Name	Title
Veronica F. Leni	ACEO, Corporate
Sau Taupisi Faamai	Acting CEO, ACED
Lyndon Chu Ling	ACEO, Industry & Investment
Roger Toleafoa	ACEO, FICD
Isaia Waikeo	ACEO, RPSNED
Ioane Okesene	Legal
Stephen Musubia	Trade Policy Analyst
Salote Meredith	Trade Sector Coordinator
Central Bank of Samoa	
Name	Title
Philip Pena	Central Bank of Samoa
Karras Lui	Central Bank of Samoa
Margaret Tafunai	Central Bank of Samoa
Lanna Lome-Ieremia	Central Bank of Samoa
Samoa Water Authority	
Name	Title
Tafea Philip Kerstlialie	Technical Manager
Kolone Tikeri	Manager, Corporate
Heseti Sione	Manager, Commercial Division
Fua Gloria Lameko	Internal Auditor
Levaai Toremana	Manager, Rural Operations
Chief Auditors Office	
Name	Title
Fuimaono Camillo Afele	Controller & Chief Auditor
Dennis Chan Tung	Asst Controller & Chief Auditor
Violet Roebeclé-Faasavalu	Asst Controller & Chief Auditor
Samoa Bureau of Statistics	
Name	Title
Laupua Fiti	ACEO, Economic Statistics
Malaefono Tava-Taalega	ACEO, Census, Surveys & Demography
Leota Aliielua Salaovi	ACEO, National Accounts & Finance

Sofia Silipa	ACEO, Corporate & Strategic Services
Leilua Taulealo	ACEO, Data Processing
National Health Services	
Name	Title
Faleata Savea	Manager Support & Allied Health
Finken Misimoa	Manager Finance
Leota L Lamositele-Sio	General Manager
Leilani M Galuvao	Manager, Information Systems
Leati Toetu Lafosi	Manager Human Resources & Administration
Kassandra Bethan	Project Coordinator
Lepaitai Hansell	Quality Improvement
Embassy of the People's Republic of China - Samoa	
Name	Title
Yang Liu	Deputy Head of Mission
Zhu Yue Sheng	CEO of Commercial Section
ADB/World Bank	
Name	Title
Maeva Betham Vaai	Liasion Officer - World Bank Group Asia Development Bank, Joint Samoan Liasion Office
Private Sector	
Name	Title
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Osana Liki	Policy Analyst, Samoa Chamber of Commerce
Janice Webster	Assistant Policy Analyst, Samoa Chamber of Commerce
Josefo Bourne	Samoa Commercial Bank
Alalatoa S Lene	Samoa Commercial Bank
Grant Percival	Natural Foods International Limited
Aniaifola Afauasgoa Iatua	Tourism Climate Change Project Coordinator
Inativa Imo	Manager Research & Statistics
Dulcie Wong Sin Simanu	Toursim Sector Coordinator
Samoa Civil Society Support Program	
Name	Title
Noumea Simi	CSSP Chair
Marie B Toalepaialii	CSSP Project Officer
Mathew Tofi'lau	CSSP Project Officer
Taeane Tamaseu	CSSP Financial Manager



Old church in Savaii surrounded by lava.



