



# PACIFIC PRIVATE SECTOR DEVELOPMENT INITIATIVE (PSDI)

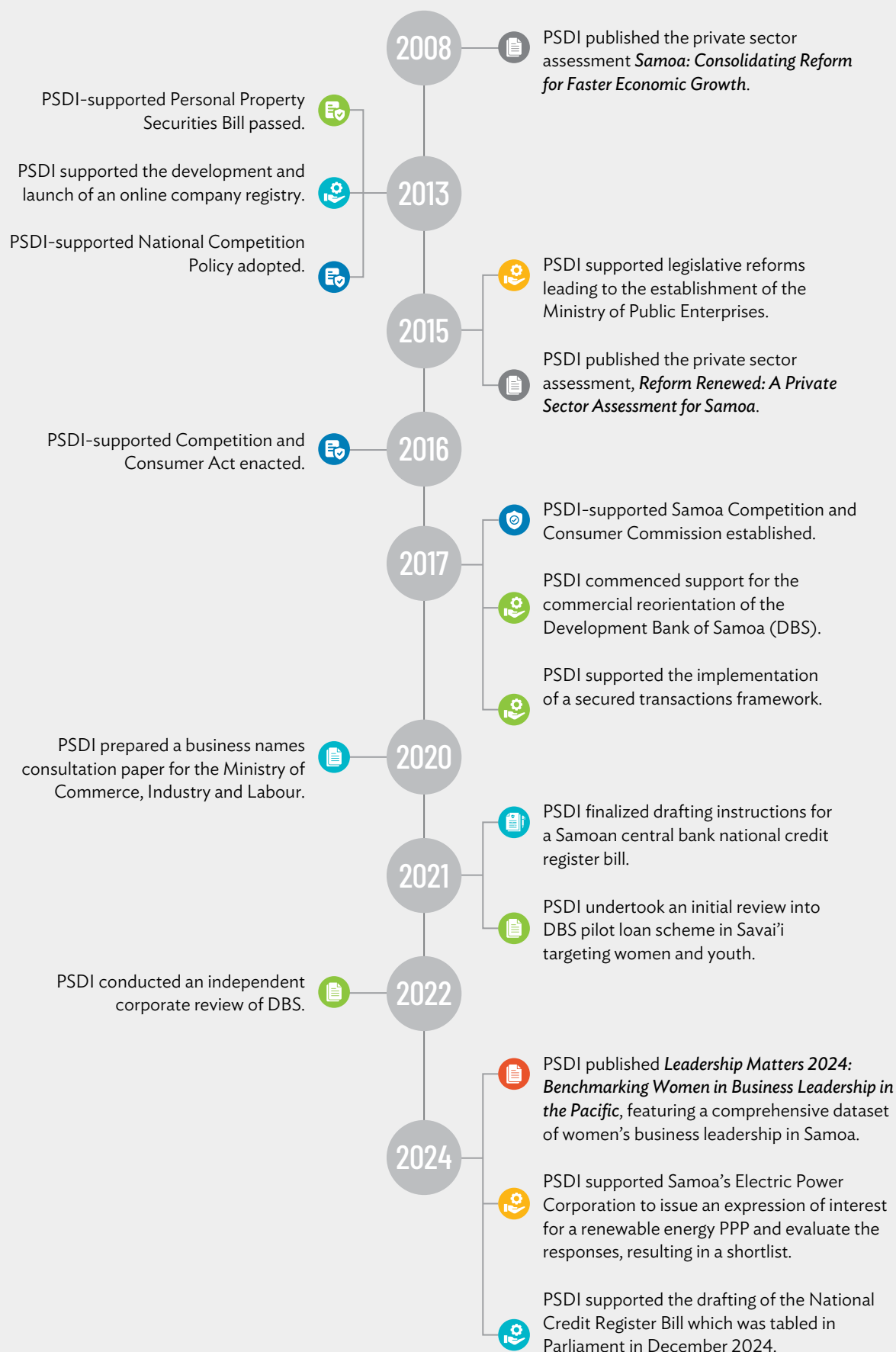
## SAMOA

### COUNTRY OVERVIEW 2025

#### IN SAMOA, PSDI IS WORKING TO:

- Strengthen the commercial orientation of the Development Bank of Samoa.
- Simplify business laws and registration processes.
- Strengthen state-owned enterprise (SOE) policy, performance, governance, and transparency, and establish a framework for the identification, preparation and tendering of public private partnership arrangements.
- Support a gender-inclusive private sector enabling environment.
- Promote women's economic participation in the tourism sector.

# KEY PSDI ACTIVITIES AND OUTCOMES





# FINANCING GROWTH

## OUTCOMES AND RESULTS

### INCREASING THE PROVISION OF LOANS SECURED WITH MOVABLE ASSETS

**PSDI has worked to increase business access to finance through the development and implementation of a secured transactions framework—which allows lenders to accept non-land (movable) assets as security—and by working with lending institutions to encourage its uptake.**

PSDI supported the enactment of the Personal Property Securities Bill in February 2013. Subsequent to an amendment to the act in 2015, PSDI commenced procurement of a registry, which launched in February 2017 with full design and implementation support from PSDI. With PSDI assistance, DBS has introduced financing products for the agricultural sector that take advantage of the secured transactions framework. PSDI assisted DBS with two pilot schemes—one for cocoa financing on Savai'i and one for taro financing on Upolu.



Market stall owner preparing his wares, Samoa

### SUPPORTING THE COMMERCIAL REORIENTATION OF DBS

**Since fiscal year (FY) 2018, PSDI has been delivering a package of technical assistance to DBS aimed at strengthening the financial position of the bank, improving its operations, and clarifying its strategic role within a competitive, private sector-oriented financial system.**

PSDI has helped assess the impact of nonperforming loans on DBS's capital and liquidity position, formulate strategies for the resolution of large non-performing loans, and draft a comprehensive set of internal policies, including for credit assessment and risk management. The policies were approved by the DBS board, and PSDI has undertaken training with directors and staff on their implementation.

PSDI supported DBS to align strategy with the corporate plan and financial forecasts through workshops, to refine the existing corporate plan, and to develop a capital projections model.

In FY2022, PSDI completed an independent corporate review of DBS, in cooperation with bank management and the Government of Samoa. This review included recommendations to enable DBS to operate more sustainably and fulfill its mandate to meet the economic and social needs of the people of Samoa.

# BUSINESS LAW REFORM

## ONGOING AND FUTURE PROJECTS

### UPGRADING THE NATIONAL BUSINESS REGISTRY

**PSDI has supported an update to Samoa's Companies Act and the development of an associated online registry.**

In 2013, PSDI supported an update of Samoa's Companies Act Regulations and assisted with the procurement and installation of a new electronic registry. Together with the New Zealand Companies Office, PSDI also carried out significant public awareness activities and capacity building for the new registry.

This registry is now outdated, and the system is expensive for the ministry to maintain. In FY2024, PSDI completed a diagnostic to determine requirements for updating the electronic business registry and is now supporting the implementation of some of the diagnostic's recommendations.

### DEVELOPING A NATIONAL CREDIT REGISTRY

**PSDI is working with the Central Bank of Samoa (CBS) to establish a credit registry.**

The country's lack of a credit bureau is a significant barrier to financial inclusion and private sector development, constraining direct lending, especially in the small business loan markets. Introducing a credit registry will enable CBS to supervise the finance sector better by serving as a centralized, single repository of information on borrowing by all categories of debtors (including businesses and consumers).

PSDI provided a diagnostic report on the development of such a bureau to CBS in late 2018, and in FY2020 developed a consultation paper to engage primary stakeholders. In 2021, PSDI provided CBS with a draft bill for the central bank national credit register. In FY2024, PSDI finalized the national credit information register bill. In FY2025, Cabinet endorsed the bill, which has been tabled in Parliament. Once passed, it will establish the Credit Information Register to be maintained by CBS.

### SUPPORTING TRADING NAMES REFORM

**PSDI has been working with Samoa's Ministry of Commerce, Industry, and Labour (MCIL) to introduce a trading names framework.**



Apparel store, Samoa

A registered trading names framework would help sole traders enter the formal sector by providing legal recognition when they register their business name. This also supports anti-money laundering (AML)/combating the financing of terrorism (CFT) compliance in Samoa.

In FY2020, PSDI prepared a business names consultation paper for MCIL to engage the private sector, government, and the public. PSDI completed the paper in FY2022, recommending the introduction of a trading names law with associated implementation through an appropriate registry solution. Consultations are underway as of FY2023 after being delayed due to COVID-19. In FY2023, PSDI delivered a draft trading names bill. In FY2024, the Ministry of Customs and Revenue (MCR) took this work over from MCIL. PSDI continues to provide ongoing support as requested.

## STATE-OWNED ENTERPRISE REFORM AND PUBLIC-PRIVATE PARTNERSHIPS

### OUTCOMES AND RESULTS

#### STATE-OWNED ENTERPRISE REFORM

**Since FY2007, PSDI has provided support to the Government of Samoa's state-owned enterprise reform program.**

This support has included:

- Conducting a scoping study in 2009 for the privatization of Samoa Shipping Services.
- Conducting a scoping study for the privatization of Polynesian Airlines in 2012.
- Undertook advocacy and legislative reforms which led to the establishment of the Ministry of Public Enterprises in 2015.
- Preparing an SOE ownership, performance, and divestment policy update, which was endorsed by Cabinet in January 2015.
- Strengthening the SOE Monitoring Division's selection and appointment of directors and developing a director performance evaluation tool.
- Reviewing proposed amendments to the Public Bodies Act in August 2016.
- Updating the scope and purpose of the statements of corporate objectives prepared by SOEs and finalizing guidelines for the classification of public bodies as for-profit or not-for-profit entities, which was endorsed by cabinet.
- Supporting the Ministry of Public Enterprise in identifying additional required amendments to the Public Bodies Act and reviewing the SOE legislative framework. This work was completed in FY2023 and is awaiting endorsement from the cabinet and Parliament.
- Supporting the MPE in developing a new Community Service Obligation (CSO) policy, to be tabled in Cabinet in FY2025.

## PRIVATIZATION AND PUBLIC-PRIVATE PARTNERSHIP (PPP) SUPPORT

**PSDI has provided ongoing support when requested for the Government of Samoa's PPP and privatization plans.**

PSDI support has included:

- Supporting the privatization of three SOEs: Agriculture Stores Corporation (ASC), Polynesian Airlines (Investment) Limited, and Samoa Shipping Services in FY2012. Cabinet approved PSDI's recommended sales strategy for ASC and the sale of ASC finalized in April 2016.
- Providing privatization options for three SOEs (the Public Trust Office, Samoa Post, and Samoa Housing Corporation) in FY2017. The government initially decided to pursue these but has since rescinded one privatization decision and sought assistance from ADB's Office of Market Development and PPPs to progress the other two as PPPs.
- Reviewing Samoa's PPP framework and consulting with the Ministry of Finance to integrate the framework into the government's infrastructure planning and financing process. The new process will be tabled in Cabinet in FY2025.

### ONGOING AND FUTURE PROJECTS

#### SUPPORTING SAMOA'S RENEWABLE ENERGY TRANSITION

**PSDI is working with Samoa's Electric Power Corporation (EPC) to develop and implement a renewable energy investment plan to support their role in reaching Samoa's target of 70% renewable energy by 2031.**

As part of this work, PSDI is supporting EPC to update its Energy Transition 2023-2034 Master Plan, which identifies independent power purchase (IPP) opportunities and sequencing, as well as the storage, transmission, and distribution investments necessary for achieving the EPC's renewable energy target.

In FY2024, PSDI supported EPC to issue an Expression of Interest (EoI) for an independent power purchase agreement and evaluate the EoIs.



Solar farm, Samoa



# ECONOMIC EMPOWERMENT OF WOMEN

## OUTCOMES AND RESULTS

### SUPPORTING INCLUSIVE POLICY DEVELOPMENT

**PSDI worked with the Development Bank of Samoa (DBS) to draft and support the implementation of a gender equality and social inclusion policy.**

In FY2020/2021, PSDI conducted initial consultations with DBS staff to review the bank's existing gender equality and social inclusion-related policies and determine the objectives of the new policy, which was delivered in January 2022.



Fresh fish retailer, Samoa

## ONGOING AND FUTURE PROJECTS

### SUPPORTING WOMEN'S EQUAL ACCESS TO RETIREMENT BENEFITS

**PSDI is working with the Pacific Islands Investment Forum (PIIF) and its members, including the Samoa National Provident Fund and Unit Trust of Samoa, to support women's equal access to retirement benefits.**

PSDI was instrumental in the establishment of the PIIF Women in Super working group, designed to support member funds to undertake advocacy and networking and implement policies and procedure that improve women's entitlements to retirement and non-retirement benefits across Pacific retirement funds.

To date, PSDI and the working group members have convened five working group meetings and PSDI has prepared a draft Women in Super manual, which provides step-by-step guidance and case studies on three priority areas (sex-disaggregated data, engagement with the informal sector, and financial literacy), which was reviewed by working group members during a regional workshop in October 2024. The

2-day workshop was attended by representatives of the PIIF membership, including the Samoa National Provident Fund and Unit Trust of Samoa, and covered topics related to the resolutions agreed to by working group members at the 2023 PIIF CEO Forum, namely the collection, analysis, and reporting of sex-disaggregated data, strategies to engage women working in the informal economy, and the promotion of financial and retirement literacy. Participants also developed tailored action plans for their respective funds, aiming to implement the resolutions.

### ANALYSIS AND ADVOCACY

**PSDI has provided analysis and advocacy for increasing women in business leadership in Samoa.**

PSDI also published 2021 Leadership Matters: Benchmarking Women in Business Leadership in the Pacific report, which sampled 22 organizations in Samoa. PSDI found that in Samoa, 25% of chief executive officers and 33% of board directors were women, higher than the Pacific-wide average of 13% and 21% respectively. At the board chair level, 19% are women—higher than the 11% regional average.

In FY2024, PSDI published an updated edition of Leadership Matters. The updated report found that in Samoa, 36% of board directors are now women, higher than the regional average of 26%, 41% of board chairs are women, higher than the regional average of 12%, and 45% of chief executive officers are women, higher than the 20% regional average.

## SUSTAINABLE TOURISM

### ONGOING AND FUTURE PROJECTS

#### SUPPORTING GENDER MAINSTREAMING IN THE TOURISM SECTOR

**PSDI is working with the Samoa Tourism Authority to support improved mainstreaming of women's economic empowerment in the tourism sector.**

The Pacific Tourism Organisation (SPTO) in FY2023 requested support from PSDI for mainstreaming the economic empowerment of women within SPTO and in national tourism organizations (NTOs). In response, PSDI has undertaken a gender audit with SPTO and several members, including the Samoa Tourism Authority (STA), designed to increase awareness of gender-mainstreaming and identify opportunities for its implementation in SPTO and NTO planning and programs.

In FY2024, PSDI finalized consultations and commenced drafting of a report for STA as well as regional synthesis report based on the methodology developed. The regional findings were presented at a women's Talanoa at the SPTO board meetings in late-2024. A final regional report will be made available to partner organizations in 2025, together with an organization-specific report for STA.

# ANALYTICAL WORK




- 2024: Comprehensive data on women's leadership in business in Samoa was included in PSDI's regional benchmarking study, *Leadership Matters: Benchmarking Women in Business Leadership in the Pacific*. Samoa also featured in PSDI's 2021 edition of Leadership Matters.
- 2024: Samoa participated in the regional policy paper, *Powering the Pacific: The Cost Implications of Renewable Energy*, which examines the impact of transitioning from fossil fuels to renewable energy sources on power generation costs and consumer tariffs
- 2024: Samoa participated in PSDI's report, *Investment for Growth: A Review of Foreign Direct Investment Frameworks in the Pacific*.
- 2023: Samoa participated in PSDI's 2023 regional SOE benchmarking study, *Finding Balance 2019: Benchmarking Performance and Building Climate Resilience in Pacific State-Owned Enterprises*. Samoa also participated in PSDI's 2009, 2011, 2014, 2019 and 2016 Finding Balance regional SOE benchmarking studies.
- 2022: Samoa was included in the PSDI policy brief, *State-Owned Enterprises: Board Nomination Practices in the Pacific*.



- 2021: PSDI published a tourism sector snapshot for Samoa, surveying the Samoan tourism sector pre-COVID-19 and identifying new and existing challenges and opportunities for the tourism industry.
- 2018: Samoa is featured in PSDI's study on Pacific women's engagement in the private sector, *Women and Business in the Pacific*.
- 2015: PSDI published a private sector assessment, *Reform Renewed: A Private Sector Assessment for Samoa*.
- 2008: PSDI published a private sector assessment, *Samoa: Consolidating Reform for Faster Economic Growth*.

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