



GOVERNMENT OF SAMOA

BUDGET ADDRESS

2021/2022



"Recovery, building resilience and shared prosperity for all the people of Samoa"



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MINISTER OF FINANCE
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2021/22 BUDGET ADDRESS

Mr Speaker and Honourable Members of Parliament,

Greetings to you Mr Speaker on this beautiful morning.

Greetings also to the Honourable Prime Minister and Honourable Ministers of your Cabinet and all Members of Parliament. I am pleased to greet you all this morning knowing you are all in the best of health!

Sincere greetings to all the people of Samoa watching or tuning in to our Parliament session this morning, not forgetting the people of Tutuila and Manua.

Finally, I send warm greetings to all Samoans living abroad, wherever you are connecting from all over the world, greetings and best wishes to you all.

Mr Speaker,

I. 2021/2022 BUDGET SETTING AND THEME

The theme for the 2021/22 budget for the new parliament term is:

“Recovery, building resilience and shared prosperity for all the people of Samoa”

The new government’s mission is summarized as *“Our Family, Our People, Our Nation, Our Culture and Christian values is our collective responsibility”*

Mr Speaker,

Unless the Lord builds the house, those who build it labour in vain.

Unless the Lord watches over the city, the watchman stays awake in vain.

Without doubt the lesser is blessed by the greater. It is more blessed to give than to receive. No servant is greater than his master.

Mr. Speaker,

As required under Standing Order 131, it is my great honor to present to the House the first Statement on the Estimates for the fiscal year 2021/22 on behalf of the Government - the first for the FAST Political Party. These estimates represent a transitional budget and is therefore called a *“Budget for Recovery, building resilience and shared prosperity for all the people of Samoa”*

Mr. Speaker,

Before I outline the key priority areas of the Budget, I would firstly like to praise and give thanks to God Almighty for his guidance and protection over Samoa as our country continues to remain free from the COVID19 pandemic. A special word of thanks to our development partners for their assistance and kindness shown through vaccination donations and countless other assistances for Samoa and its people. A word of thanks also to our people for their support as seen through the increasing number of those who have begun and completed their vaccinations against the COVID19. Acknowledgement is also given to the private sector and public servants who continue to work tirelessly to ensure that our country remains protected from the pandemic.

Mr. Speaker,

This first Budget for 2021/22 required some time to restructure existing frameworks as well as to reshuffle resources so that Government spending can be directed to ensuring the social wellbeing of Samoa citizens. Protecting Samoa’s borders from the COVID19 pandemic however remains a top priority. The Government has also paid close attention to addressing the economic decline resulting from the country’s border closures. In essence, the country faced many challenges during the last Parliamentary term, including the political standoff post elections. It is the belief of the new Government that this Budget will be the starting point from where a more efficient and more directed use of Government resources can be

actioned to ensure social harmony and secure shared prosperity for all the people of Samoa. The new administration identified the following key policy outcomes that will support the achievement of this vision:

- I. Improved human development,
- II. Sustainable economy,
- III. Trusted governance,
- IV. Secured environment
- V. Structured public works and infrastructure.

II. MACROECONOMIC OUTTURN AND OUTLOOK

Mr. Speaker,

The outlook for the fiscal year under discussion 2021/22 anticipates a slight growth in the economy by 2% should all planned priorities (including targeted assistance to affected sectors, communities and vulnerable groups) outlined within this Budget be implemented successfully.

The fiscal target for total public debt was 40% of GDP in the past. This target now stands at 50% of GDP. The Government's total public debt to date has reached \$1.0 billion, this is equivalent to about 50% of GDP. It is unfortunate for the new government to inherit such high debt but it is committed to start reforms on governance to include public finance management, debt sustainability and fiscal consolidation in general to build adequate fiscal space for 'rainy days' over the medium term.

The fiscal year 2020/21 estimated a budget deficit of -3.2% of GDP. The Budget currently before the House projects a deficit of only -2.5% of GDP. The government will continue to collect projected revenue, ensure the efficient allocation of expenditures; improve public sector efficiency and productivity as well as prepare for when emergencies and natural disasters hit.

III. BUDGET STRATEGY

Mr. Speaker,

As I stated earlier, it is the firm belief of the new Government that Samoa's economy can return to and sustain high levels of growth if all citizens work together to develop and improve their own quality of life. Particularly if development opportunities are increased and efficiently allocated to enable inclusiveness through policies and programmes that will be implemented at the district level directed at securing the socio-economic welfare of our youth, families, communities and churches.

Mr. Speaker,

The Budget laid before you includes a set of new policies which can be implemented within the immediate year and have therefore been prioritized by the new Government in line with its manifesto commitments. In essence, the following policies to be resourced in this first Budget seeks not only to address the needs arising from the effects of the COVID19 but to also address the transitioning into a new Government which requires proper forward planning that supports cost effectiveness and successful implementation.

1. Social Well Being

- **Senior Citizen's Benefit Scheme/Pension**
This will be raised from \$160 a month to \$200;
- **Disability Benefit Scheme**
This budget includes a provision for this new policy, and all affected Ministries and Corporations of Government have been directed to initiate discussions for new policy and legislative amendments required to ensure that this scheme may be come into effect as soon as possible.
- **Housing and Hygiene Development Program**
Provisions have been made to ensure that this programme can be continued which targets the upgrade and re-enforcement of housing for those most vulnerable citizens of the country.

- Assistance to NGO's who provide services to the elderly, those with disabilities and other special needs;
Organisations who provide specific and special services to those most vulnerable within the country as previously mentioned will get this annual assistance from the Government to ensure their services continue and expand to cover more citizens.
- Assistance to NGO's as part of government's priority to combat violence against women;
About 52.3% of women aged 15-49 years (more than half of the women population) report having experienced physical, emotional and /or sexual violence by an intimate partner. Grants can be given out to these organization not only to help develop and improve their programs and community support but also to build a relationship with the government and to acknowledge the important work they do for our community and country;
- Assistance to Civil Society Organisations combatting the incidence of NCD's;
Provisions have also been made to give out assistance to help these organisations who are working at the grassroots level raise awareness, provide hand holding support and on the ground activities to reduce the incidence of NCDs in the country noting that just over 50% of children and adolescents aged 5 to 19 are now overweight, females obesity rates tripled more than 55% and a quarter of adults now have diabetes.

2. Strengthening Health Services

- Meals Services for Inpatients
The provision for hospital meals has been increased to cover all inpatient care across the country.
- District Hospitals
Works have already begun to roll out the repair and refurbishment of all district hospitals as well as clinical staff residency to secure improved healthcare at the community level.

- **District Hygiene and Health Committees**
The Government will invest in ensuring the Committees are trained and equipped to guide and lead health promotion programmes at the community level.
- **Repairs, Maintenance and Supervision at the TTMH Hospital Motootua**
Provisions have been made to outsource some of these works to ensure that the hospital conditions are improved.

3. Education

- **Teachers' Salaries**
The One Government Grant has been increased and maintained at the Stimulus Level with plans in place to restructure the distribution of the assistance to cover salaries whilst the relevant Government agencies work on how best to mainstream all the country's teachers under the Government's payroll.
- **Sports Development**
The Government's usual annual assistance for sports development has been increased and the Ministry for Education are now working at reviewing the policy to ensure that these funds are not just for international representation but also for local development.

4. Community Empowerment

- An appropriation has been made for the capacity building and support of Non Government Organisations involved in the empowerment of youth, women and spiritual development.

5. Agriculture and Fisheries

- **Exports**
Funds have been allocated towards the revival of discussions around and the establishment of a National Export Authority under the Ministry of Agriculture and Fisheries to assist local farmers in connecting with overseas markets. This is to promote not just local agricultural products but also value added products that are sourced from Samoa's agricultural resources;

6. Business Innovation and Growth

- **Assistance to Businesses**

Provisions have been made for a one-off assistance to those businesses who have been affected by the COVID19 border lockdowns and emphasis will be placed on Small to Medium Sized Enterprises (SMEs). The assistance is to include the hospitality related services.

7. Strengthening the Tourism Industry

- **Assistance to Hotel Operators**

An appropriation has also been made to provide a one-off assistance for hoteliers who have been affected by the COVID19 border lockdowns.

8. Enhancing the development of communities

- To enhance the development of communities, initial work will focus on establishing appropriate governance and operational frameworks to prepare the district councils for implementation of their development plans.
- Salary increase for village mayors - their duties have increased over the years however they have not received any salary increase for ten (10) years now.

9. Strengthening Legislative Framework

- **Legislation Reviews**

Appropriations have been made to assist in preparation and review of the Constitution of the Independent State of Samoa.

10. Improving Accountability

- **Public Finance Management Systems**

Appropriations have also been made to hire technical experts to conduct a full forensic audit of the Government's financial systems;

11. Environment

- **Forest Development**

An appropriation has been made to resource the replanting of all of the country's rainforests;

12. Strengthening Public Utility Services

- **Price of Electricity and Water**
To further assist the country's recovery, electricity and water prices will be reduced by 20% effective 1 November 2021.
- **Improve the Climate Resilience of Manono and Apolima Coastlines**
There is a provision for a feasibility study to assess the works required to improve the resilience and security of coastline communities on both small islands as well as repair and improvement works for their docking bays;

13. Broadening the Use of Technology

- **Internet Access for Schools**
Funds have been set aside to pilot free internet access for select schools to assist both teachers and students in academic studies;

14. Fees and Charges of Government

Selected fees and charges on specific services of the Government will be reduced by 20% to assist the country during the COVID19, these are:

- i. Registration for private vehicles;
- ii. Business licenses;
- iii. National Examination Fees;
- iv. Lands and Titles Courts fees and charges;
- v. Consultation fees and the National Hospital;
- vi. Alia licenses;
- vii. Passport fees and charges;
- viii. Building permits;

IV. BUDGET AGGREGATES

Mr. Speaker,

I would now like to highlight the key components of the 2021/22 Budget.

<u>Receipts</u>		\$ 876,362,251.89
Ordinary Receipts	\$ 635,147,203.03	
External Grants	\$ 241,215,048.86	
<u>Expenditures</u>		\$ 982,580,130.08
Statutory Expenditures	\$ 109,570,916.06	
Expenditure Programmes	\$ 700,213,021.42	
Unforeseen Expenditures	\$ 21,006,390.64	
Development Expenditures	\$ 151,789,801.95	
<u>Cash (Deficit)/Surplus</u>		\$ (106,217,878.19)
Financed By:		
Nonogatupe e mama tului	\$ 2,193,766.21	
<u>Movement in Cash Balances</u>		\$ (104,024,111.98)

The 2021/22 financial year Main Estimates is expected to record an overall deficit of approximately \$106.2million. Under the Government Finance Statistics (GFS)¹ format, this results in a deficit of \$53million tala or 2.5% of GDP.

V. REVENUE MEASURES

Mr. Speaker,

Total Receipts for the Government is expected to increase by 3% in the fiscal year 2021/22 due primarily to the noticeably high collections noted for taxations despite the economic effects of the COVID19.

¹ The GFS format is used for international comparison on fiscal performance. The GFS format eliminates tax expenditures, Ministry to Ministry transactions as well as revenues to Public Bodies so that the actual real cash flows of Government is illustrated;

Ordinary Receipts of Government which include both Taxation and Non Tax Revenues are projected to increase by 7%.

As the honorable members are aware, estimated *Taxes* were reduced in the fiscal year 2020/21 due to the anticipation that a prolonged pandemic would eventually affect trade schedules for supply ships into the country. However, throughout the course of the fiscal year collections on tax revenues remained high and therefore the projections for the new fiscal year 2021/22 have been raised by 11%.

Non Tax Revenues are expected to drop by 26% in line with the plans to reduce some fees and charges of Government as already stated.

Grants are estimated at 6% lower than the previous year attributed largely to a reduction in budget support as the majority of these were for the COVID19 efforts of Government in 2020/21.

VI. EXPENDITURE PRIORITIES (FINANCED FROM GOVERNMENT'S OWN REVENUE)

Mr. Speaker and Honorable Members,

The aggregated total expenditures for the fiscal year 2021/22 is estimated to be \$982,580,916. This total includes development programmes sourced by the country's donors which is estimated to increase by 0.6% when compared to 2020/21.

The slight increase in the Government's expenditures despite the many new priorities and programmes included in the budget is a reflection of the Government's ability to effectively reshuffle and reprioritize existing programmes to ensure that resources are efficiently rediverted to the new priority areas at the same time provide stimulus measures with better targeting and use.

Mr. Speaker,

I will now outline the details of the estimates for each Ministry for the fiscal year 2021/22:

1. Ministry of Agriculture and Fisheries - \$14,467,881

- \$12,075,171 for outputs delivered by the Ministry;
- \$2,392,709 for Transactions on behalf of the State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$140,437 as Government's counterpart to the Agricultural Development Project;
- \$50,000 for the Animal Protection Society;
- \$250,000 for the establishment of the National Export Authority;
- \$500,000 for the Annual Agriculture Show.

2. Scientific Research Organisation of Samoa - \$5,715,385

- \$5,474,441 for outputs delivered by the Ministry;
- \$240,944 for Transactions on Behalf of State;

3. Ministry for Commerce, Industry and Labour - \$7,811,255

- \$5,453,543 for outputs delivered by the Ministry;
- \$1,907,713 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$450,000 as grant to the Samoa Business Enterprise Centre
- \$250,000 annual assistance for the Private Sector
- \$178,000 for the Government's Apprenticeship Programme
- \$124,021 for the E-Registry Database

4. Samoa Tourism Authority - \$19,897,810

- \$7,193,161 for outputs delivered by the Ministry;
- \$12,704,649 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$5,493,560 for a targeted Marketing and Promotion strategy;

- \$5,000,000 COVID19 Assistance to Operators;
- \$200,000 for the usual National Tourism Awareness program of the Authority;
- \$400,000 for the Agro Tourism Park

5. Ministry of Communication and Information Technology - \$8,817,852

- \$2,936,881 for outputs delivered by the Ministry;
- \$5,880,971 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$1,120,128 for the Samoa National Broadband Highway (SNBH) Co-location;
- \$246,510 for the SNBH Spectrum Fees;
- \$315,000 being electricity bills for the SNBH;
- \$525,012 for the CSL Monthly Management fee on the SNBH;
- \$300,000 for the refurbishment of a studio for the Digital TV programs of the Government;
- \$2,000,000 provisions to pilot free access to the internet for specific schools;

6. Office of the Regulator - \$2,365,630

- \$1,977,831 for outputs delivered by the Ministry;
- \$387,799 for Transactions on Behalf of State;

7. Ministry of Education, Sports and Culture - \$105,877,332

- \$77,052,578 for outputs delivered by the Ministry;
- \$10,008,434 for Transactions on Behalf of State;
- \$1,090,000 for Sports Development distributed as follows:
 - \$500,000 for general Sports Development;
 - \$350,000 for the Samoa Rugby Union;
 - \$50,000 for the Special Olympics team;
 - \$150,000 for the Samoan Netball Association;

Large expenditure items included in the Transactions on Behalf of State are:

- \$300,000 for Sports Fields construction;
- \$1,500,000 for the Teachers' Higher Education Scheme;
- \$4,670,170 for the implementation of the Education Sector Support Program (Budget Support);
- \$285,454 for the Samoa Language Commission;
- \$472,662 for the Samoa National Archives and Records Authority.

8. Samoa Qualifications Authority - \$5,676,728

- \$2,996,117 for outputs delivered by the Ministry;
- \$2,680,611 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$2,338,832 for the implementation of the Authority's obligations under the Education Sector Support Program (Budget Support);

9. Samoa Sports Facility Authority - \$2,531,743

- \$2,407,051 for outputs delivered by the Ministry;
- \$124,692 for Transactions on Behalf of State;

10. National University of Samoa - \$28,585,128

- \$24,606,400 for outputs delivered by the Ministry;
- \$3,978,728 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$3,280,518 for the implementation of the Authority's obligations under the Education Sector Support Program (Budget Support);

11. Ministry of Finance - \$101,485,066

- \$15,227,121 for outputs delivered by the Ministry;
- \$86,257,945 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$300,000 for the Independence Day celebrations;
- \$680,318 as counterpart to the OPEC/Petroleum Tank Farm;
- \$200,000 as counterpart to the ADB's Agri-Business Project;
- \$250,000 for the Pacific Disaster Risk Insurance Premium;
- \$144,291 as counterpart to the World Bank's Pilot Programme for Climate Resilience;
- \$750,000 as counterpart to the ADB/World Bank's Samoa Connectivity Project;
- \$100,000 as counterpart to the World Bank's West Coast Road Project;
- \$500,000 as counterpart to the ADB's Samoa Port's Development Project;
- \$100,000 as counterpart to the construction of the Samoa Police Academy;
- \$100,000 as counterpart to the Chinese funded Friendship Park;
- \$100,000 as counterpart to the Chinese funded Cultural Centre;
- \$100,000 as counterpart to the Samoa Climate Resilient Transport Project;
- \$2,650,000 for the usual expenses of the Government bowser;
- \$4,201,551 for Insurance on Government Assets;
- \$711,000 for Computer Software license payments;
- \$410,000 for Network Fees and Maintenance;
- \$500,000 for the Ministry's Vulnerable Scholarship Scheme;
- \$3,000,000 for the Disability Benefit Scheme;
- \$200,000 as counterpart to the ADB System Strengthening for Effective Coverage of new Vaccines in the Pacific;
- \$150,000 as counterpart to the Phase II of the Samoa Parliamentary Complex Rehabilitation Project;
- \$500,000 as counterpart to the ADB Central Cross Island Road Upgrade Project;
- \$2,000,000 for the Government's Shelter and Hygiene Facilities Programme;
- \$33,388,308 for the Senior Citizens' Benefit Scheme;
- \$3,500,000 for Import Duty on Aid and Loan Funded Projects;
- \$4,940,000 for VAGST on Aid and Loan Funded Projects;

- \$200,000 for VAGST and other remaining payments on Phase I of the Samoa Parliamentary Complex Rehabilitation Project;
- \$10,000,000 allocated to private sector assistance with emphasis on small to medium size (COVID19 Assistance);
- \$250,000 to assist in improving the Annual Reporting of State Owned Enterprises;
- \$1,000,000 as grants assistance for organisations who lobby for ending violence against women and children;
- \$1,000,000 as grants assistance for organisations who implement programmes and projects to combat NCD's;
- \$1,000,000 capital injection for Development Bank of Samoa.
- \$1,000,000 capital injection for STEC;
- \$250,000 for a full forensic accounting assessment of the Government's financial systems;

12. Ministry of Foreign Affairs and Trade - \$22,979,753

- \$19,702,562 for outputs delivered by the Ministry including provisions for all overseas missions;
- \$3,277,190 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$150,000 for the Preparations for the CHOGM 2022;
- \$150,000 for the Meeting of the Pacific ACP-EU IEPA Trade Committee;
- \$150,000 for the Pacific Labour Mobility Annual Meeting;
- \$300,000 for the Summit on the signing of the EU-ACP Samoa Agreement (post Cotonou);

13. Ministry for Health - \$126,715,844

- \$80,752,054 for outputs delivered by the Ministry;
- \$37,438,790 for Transactions on Behalf of State; .

Large expenditure items included in the Transactions on Behalf of State are:

- \$2,000,000 for the Returning Graduates program;

- \$1,200,000 for the Plumbing System Preventative Maintenance Services;
- \$3,949,144 for the implementation of obligations under the World Bank's Programme for Results;
- \$116,000 as counterpart for the Health Sector Program;
- \$2,000,000 for Bulk Food to cater to hospital inpatients;
- \$4,600,000 as consumables and reagents for the Pathology Lab;
- \$852,287 for Dental Health medical consumables;
- \$3,000,000 for the Pharmacy's consumables;
- \$6,000,000 for the Supply of Pharmaceuticals;
- \$590,000 for vaccine supplies;
- \$145,000 for the supply of XRay films;
- \$3,000,000 for the refurbishment of rural (district) hospitals and doctors' residence;
- \$600,000 for Security Services for the main hospitals;
- \$360,000 for lawnmowing contracts;
- \$2,000,000 for commercial cleaning contracts for the hospitals;

14. Samoa National Kidney Found - \$9,046,544

- \$5,588,977 for outputs delivered by the Ministry;
- \$3,457,567 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$2,850,000 for overseas medical supplies;
- \$200,000 for refurbishments required for the new reverse osmosis;

15. Ministry for Justice and Courts Administration - \$16,667,214

- \$12,363,410 for outputs delivered by the Ministry;
- \$4,303,804 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$250,000 for Legal Aid;
- \$200,000 for the Re-roofing of the Courthouse;
- \$325,543 for Surveying of Boundaries for Customary Lands;
- \$2,000,000 for the construction of the Savaii Courthouse;

- \$350,000 for the Establishment of a Community Law Centre;
- \$100,000 for the Court of Appeal;

16. *Ministry for Natural Resources and Environment - \$25,867,242*

- \$13,096,792 for outputs delivered by the Ministry;
- \$12,770,450 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$4,221,355 for Waste Management Service Contracts;
- \$2,000,000 for Land Compensation;
- \$164,100 for Sludge Maintenance Contracts;
- \$1,000,000 for the National Forest Replanting initiative;
- \$205,000 Customary Land Advisory Commission;
- \$245,000 for Lawn Maintenance;
- \$388,300 for Public Toilet Maintenance and Cleaning;
- \$100,000 for the rents and leases of the Pacific Water and Wastewater Office;
- \$160,000 for the Technical Assistance/Professional Service;
- \$150,000 for the Rainfall Harvesting Program;
- \$400,000 as Land Compensation - Water Sector;
- \$200,000 for the maintenance and upkeep of the Friendship Park;
- \$500,000 Roads for Land Board Leased Lands;

17. *Ministry of Police and Correction Services - \$37,765,534*

- \$34,314,488 for outputs delivered by the Ministry;
- \$3,451,046 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$160,000 for officers sent to Overseas Peacekeeping Missions;
- \$900,000 for Police Uniforms;
- \$300,000 for purchase of license plates and stickers;
- \$450,000 for Bulk Food supplies for the Prisoners;
- \$150,000 for the purchase of Uniforms and personal protection for Corrections Officers;
- \$102,200 for the Town Cleaning Project for Prisoners;

- \$100,000 to retain a doctor for the Prisoners;
- \$100,000 for lawnmowing maintenance contracts for Police HQ and select Outposts;

18. *Fire and Emergency Services Authority - \$10,613,030*

- \$10,073,628 for outputs delivered by the Ministry;
- \$539,402 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$200,000 for uniforms.

19. *Ministry of the Prime Minister - \$10,145,941*

- \$7,631,791 for outputs delivered by the Ministry;
- \$2,514,150 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$261,223 for the Immigration Support Systems;
- \$710,000 for Purchase of New Passports;
- \$150,000 grant to the Samoa Returnees Charitable Trust;

20. *Ministry for Customs and Revenue - \$13,431,913*

- \$10,718,805 for outputs delivered by the Ministry;
- \$2,713,109 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$250,000 for the ASYCUDA Support Mechanism;
- \$681,155 for DataTech International;
- \$125,000 for the Collection Enforcement Assistance;
- \$184,920 for the Automated Exchange of Information Systems;

21. *Ministry for Women, Community and Social Development - \$24,984,980*

- \$10,482,547 for outputs delivered by the Ministry;
- \$14,502,433 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$400,000 for the Fuataga o le le Samoa annual exhibit;
- \$100,000 as support for the Independent Water Scheme Association;
- \$150,000 for National Beautification Activities & Awards;
- \$2,100,000 as support to the Komiti Tumama for all villages;
- \$250,000 for capacity support to the National Council of Churches, National Youth Council and the National Women's Council (NGO Capacity Support Programme);
- \$11,000,000 for the District and Community Programming and Scoping;

22. *Ministry for Works, Transport and Infrastructure - \$21,368,325*

- \$5,201,841 for outputs delivered by the Ministry;
- \$926,845 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$250,000 for the Improved Coastal Resilience of Apolima and Manono;

23. *Land Transport Authority - \$46,912,488*

- \$38,409,880 for outputs delivered by the Ministry;
- \$8,502,608 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$3,000,000 for the Fugalei Road Rehabilitation;

24. *Office of the Attorney General - \$5,367,508*

- \$4,653,527 for outputs delivered by the Ministry;
- \$713,981 for Transactions on Behalf of State;

25. *Office of the Auditor General - \$4,107,581*

- \$3,421,011 for outputs delivered by the Ministry;

- Third Party Outputs
 - \$100,000 for the establishment of an Anti Corruption Authority;
- \$586,570 for Transactions on Behalf of State;

26. Office of the Electoral Commissioner - \$3,192,962

- \$2,609,216 for outputs delivered by the Ministry;
- \$583,747 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$200,000 for Election Commission of Enquiries;

27. Office of the Clerk of the Legislative Assembly - \$7,333,917

- \$5,822,906 for outputs delivered by the Ministry;
- \$1,511,011 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$250,000 for the Constitution Review;
- \$200,000 grant for political parties;
- \$175,000 for the Parliamentary Education and Engagement Program;
- \$170,000 for the Parliamentary Institutional Strengthening Program.

28. Office of the Ombudsman - \$1,483,635

- \$1,216,466 for outputs delivered by the Ministry;
- \$222,169 for Transactions on Behalf of State;

29. Public Service Commissioner - \$8,525,285

- \$4,464,907 for outputs delivered by the Ministry;
- \$4,060,379 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$277,579 for the Remuneration Tribunal;

- \$165,376 for the Human Resource Module License;
- \$3,200,000 for Government Scholarships;

30. Samoa Bureau of Statistics - \$6,064,345

- \$4,328,462 for outputs delivered by the Ministry;
- \$1,735,883 for Transactions on Behalf of State;

Large expenditure items included in the Transactions on Behalf of State are:

- \$1,000,000 for the Population Census.

31. Law Reform Commission - \$1,499,474

- \$1,239,506 for outputs delivered by the Ministry;
- \$259,968 for Transactions on Behalf of State;

32. Ministry for Public Enterprises - \$3,158,808

- \$2,536,639 for outputs delivered by the Ministry;
- \$622,169 for Transactions on Behalf of State;

VII. UNFORESEEN EXPENDITURES

The estimated Unforeseen Vote for the fiscal year 2021/22 is \$21million based on the Ministries' expenditure programmes.

VIII. OTHER EXPENDITURE PRIORITIES (EXTERNALLY FINANCED)

Mr. Speaker,

The Government continues to receive development partner support to finance additional development projects and programmes through cash grants and concessional lending. Total externally financed projects and programmes for the FY2021/22 is estimated to reach \$243.4 million. Out of this amount, \$241.2 m comprise of cash grants - key focus sectors earmarked to benefit from grants include Finance sector (\$81.3m) - majority is budget support assistance through the joint policy action matrix supported by multiple development partners and to assist government with covid19 efforts and stimulus; Transport/Infrastructure (\$62 m), Agriculture

(\$23.8 m), Health Sector (\$19.45m), Environment (\$18.6m), Education (\$11.95 m), Multisector (\$9m), Communication Sector (\$5.2 m), Community and Development and Civil Society (\$4.8 m), Law Justice (\$1.97m) and Tourism (\$1.0 m). The only soft term loan will finance a key priority in the energy sector (\$2.19m).

Estimated grant receipts for FY2021/22 is expected to slightly drop by 6% compared to FY2020/21 due to one-off assistance received for COVID-19 preparation and the closure of some projects/programmes that are now completed. Estimated lending for FY2021/22 is estimated to drop by 81% compared to FY2020/21.

IX. EMERGENCY BUDGET TO OPERATE GOVERNMENT SERVICES FOR THREE (3) MONTHS OF FISCAL YEAR 2021/2022 (1 IULAI - 30 SETEMA 2021)

Mr Speaker,

As a result of parliament not convening due to the political standoff post elections in April 2021, a budget was not tabled in Parliament as required. Expenditure in anticipation of appropriation under article 95 of the Constitution should have been applied to ensure essential services for the continuance of any services of government until an Appropriation Bill becomes law, however the former administration had already approved the use of articles 105, 106 and 93 of the Constitution of the Independent State of Samoa to authorize payments out of the Treasury Fund for emergency under a Warrant signed by the Head of State of Samoa. The government decided to continue with this emergency budget arrangement to avoid disruption to government essential operations and public service delivery but shall not exceed an amount equal to one-fourth or 25% of the total budget payment approved in the Appropriation Act for the preceding year.

This 2021/22 Main Estimates include the government's three (3) months emergency budget (1 July - 30 September 2021), expenditure authorized for the three (3) months was paid out using a series of warrants that were signed by the Head of State.

X. CONCLUSION

Mr. Speaker,

This 2021/22 Budget is the first for the FAST Government and even though the journey has been a challenging one it is the end result of the combined efforts and cooperation of all Ministries and Corporations of Government and clearly illustrates the belief this journey of the XVII Parliament of Samoa is to be made with a vessel that is built by all.

Despite the many challenges our country continues to face, what is evident in this Budget is that it paves a new beginning through reprioritization and identifying cost efficiencies that is conducive to the improved social welfare of all Samoan citizens. It also marks a new era for Samoa and its Parliament.

It therefore humbles me greatly, on behalf of the first ever female Prime Minister of Samoa and the Government to commend the 2021/22 to the House.

Soifua ma ia Manuia.



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