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ANNEX II

of the Commission Implementing Decision on the financing of the annual action plan
in favour of the Pacific Region for 2021

**Action Document for Water sector resilience and climate change adaptation budget support
programme in Samoa**

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Water sector resilience and climate change adaptation budget support programme in Samoa CRIS number: NDICI ASIA/2021/043-252 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	Yes. This action will contribute to the TEI “Green-Blue Alliance for the Pacific.”
3. Zone benefiting from the action	The action shall be carried out in the Independent State of Samoa.
4. Programming document	Pacific Multi-Country Multi-Annual Indicative Programme 2021-2027
5. Link with relevant MIP(s) objectives/expected results	Priority Area 1 – Climate Action and Environmental Sustainability Priority Area 2 – Inclusive and Sustainable Economic Development
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	140 – Water Supply and Sanitation
7. Sustainable Development Goals (SDGs)	Main SDG: SDG 6 ‘Ensure availability and sustainable management of water and sanitation for all’ SDG 13 ‘Take urgent action to combat climate change and its impacts’ Other significant SDGs: SDG 3 ‘Ensure healthy lives and promote well-being for all at all ages’ and SDG 5 “Achieve gender equality and empower all women and girls”
8 a) DAC code(s)	14010 – Water sector policy and administrative management; 14015 – Water resources conservation (including data collection);

	14020 – Water supply and sanitation - large systems; 14021 – Water supply - large systems			
8 b) Main Delivery Channel @	12000 – Recipient Government 12001 – Central Government			
9. Targets	<input checked="" type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity Tags: transport people2people	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>

	energy digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
	Migration (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2021-14.020132-C1-INTPA Total estimated cost: EUR 13.5 million Total amount of EU budget contribution: EUR 13.5 million, of which EUR 13.3 million for budget support and EUR 0.2 million for evaluation.			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through Budget Support: Sector Reform Performance Contract			

1.2. Summary of the Action

European development policy fosters sustainable development and stability in developing countries, with the ultimate goal of eradicating extreme poverty. Development assistance is one of the pillars of the EU's external action, alongside foreign, security, and trade policies. The EU and its member countries provide over half of all global development aid. The EU is also stepping up its strategic engagement with the vital Indo-Pacific region with the aim to contribute to the region's stability, security, prosperity and sustainable development, in line with the principles of democracy, rule of law, human rights and international law. As such, the proposed action is in line with the policy priorities set out in the EU strategy for cooperation in the Indo-Pacific and the European Commission's priorities by supporting the green transition.

The proposed action is in line with the European Union (EU) strategic priorities of the Pacific Multi-Country Multi-Annual Indicative Programme 2021-2027, covering priority areas 1 (Climate Action and Environmental Sustainability) and 2 (Inclusive and Sustainable Economic Development). As such, the action will contribute to the implementation of the 'European Green Deal', the '2050 Strategy for the Blue Pacific Continent', the new 'Strategy for Development of Samoa (2021 – 2025)' and the visionary 'Samoa 2040'.

This action builds on the previous Sector Reform Contract on Water & Sanitation. It will provide continuity and added value to the 'Water for Life Plan 2021 – 2025' (the 'Sector plan') by improving the economic sustainability of the sector as well as institutionalising the monitoring and evaluation activities in the sector. The action works towards more integrated, comprehensive and strategic Water, Sanitation and Hygiene (WASH) policy, addressing also climate change and disaster risks. Its ambition is to add more focus on inclusion and equity by improving the water quality and safe sanitation for people living in vulnerable situations, including those living in rural areas. In the context of challenging economic times, progress towards universal access to safe/treated water and sanitation services must be balanced carefully, building on previous achievements in the sector.

With the establishment of a dedicated Asset Fund and by translating the National Climate Change Policy into sector specific activities, it is expected that the sector's resilience to climate change and disaster risks will be increased. This

will be promoted by the action¹. The sector will also focus on more longer term planning, not only in alignment to the new ‘Strategic Development Framework’ and ‘Samoa 2040’ vision but also to ensure that an integrated evidence-based approach is used to develop a ‘National Water Supply (and Sanitation) Master Plan’. Critical considerations linked to this planning are:

- i) increasing sector resilience to climate change and disasters; and
- ii) having the needs and rights of women and people living in vulnerable situations as priorities in line with the Sustainable Development Goal (SDG) ‘leaving no one behind’ and the ‘helping first those who need it most’ approach.

The EU’s consistent provision of budget support has facilitated greater efficiency and a more impactful implementation of the sector’s policy. EU Budget Support has been a key funding mechanism for the sector in the last 10 years which has enabled the implementation of the past 3 sector policies for the sector for both capital works and soft measures. These are analysed during Sector Plan reviews and Annual reviews conducted. National ownership and flexibility, close alignment of the activities performed by the different implementing agencies with the desired sectoral and national goals, and collaboration with other development partners in the area of building resilience to climate change, have been critical success factors. Past EU support has strengthened the governance of the water sector. It now entails performance management systems facilitating efficient and effective resource mobilisation to support investments in the water and sanitation sector. Robust implementation of earlier versions of the Sector plan have progressed the work of the sector to its current state.

2. RATIONALE

2.1. Context

1. Political and Financial Outlook

Samoa is a small island country in the South Pacific Ocean, with a total area of 2840 km² and Exclusive Economic Zone of 120,000 km². Samoa is highly vulnerable to both natural disasters and human-induced hazards with a tsunami, tropical cyclones and flooding being frequent events over the years, the latest being tropical cyclone Gita in 2018. In the last quarter of 2019, a disaster of a different kind devastated Samoa with a measles outbreak claiming 84 lives, mostly children. The beginning of 2020, the global pandemic, Covid-19 led to the declaration of a state of emergency in Samoa, which continues to be in force and adds to the uncertainty of planning for the future.

Samoa has shown resilience to past economic shocks, supported by the authorities’ strong commitment to support the economy, and financial assistance provided by the international community. Nevertheless, the prolonged effects of the global pandemic have heightened the economic challenges, and continued to adversely impact the wellbeing of Samoans. According to the International Monetary Fund (IMF)’s 2021 Article IV Consultation² Report – the compounding effects of the two consecutive health shocks pushed the 2020 September quarter real Gross domestic product (GDP) to its 2014 level, with growth projected to contract by 7.8% in Financial Year (FY) 2021 (ending June 2021), with setbacks on the achievement of the sustainable development goals. Resilient remittances and the government’s commitment to maintaining expansionary fiscal policies in the near term will likely turn the economy around for a gradual recovery starting in FY 2022, with growth reaching 1.7%. The recovery may face a rough road ahead with unprecedented uncertainty, and risks to the outlook remain slanted to the downside. Under-execution and premature withdrawal of economic stimulus could impede the pace and durability of the economic recovery and strain financial stability. The recovery path also depends on the pace of vaccination and resumption of private sector activities. High vulnerability to natural disasters continues to threaten the economy. Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) concerns could adversely impact correspondent banking relationships and remittances. Strong efforts to implement needed policy and push through reforms with

¹ The National Climate Change Policy is divided into the various sectors and sectors are encouraged to mainstream considerations into their sector planning frameworks and processes. Some of the indicators in the WASH Sector Plan 20/25 are designed to reflect these Climate Change Policy adaptation consideration such as flood mitigation efforts, watershed management planning.

² Country surveillance is an ongoing process that culminates in regular (usually annual) comprehensive consultations with individual member countries, with discussions in between as needed. The consultations are known as "Article IV consultations" because they are required by Article IV of the IMF's Articles of Agreement. During an Article IV consultation, an IMF team of economists visits a country to assess economic and financial developments and discuss the country's economic and financial policies with government and central bank officials. IMF staff missions also often meet with parliamentarians and representatives of business, labor unions, and civil society.

capacity building support provided by the international community will help turn adversity into opportunity for an inclusive, sustained recovery.

The water and sanitation sector is one of the 14 sectors of Samoa's economy and development framework. Given water's status as a basic necessity of life and the direct linkages to health, well-being and productivity, it is recognised as a priority sector. Successive 'Strategies for the Development of Samoa' (SDS) continue to prioritize increasing access to safe water and sanitation. The draft 'Strategy for the Development of Samoa 2020-2025' and 'Samoa 2040' maintains a clear focus on water, sanitation and Hygiene.

The election in Samoa, entered into new constitutional and political wars after the elections in April 2021 who saw its caretaker government refuse to cede power while its new government and its leader, the first woman prime minister for the island nation, held a swearing-in ceremony outside the parliament. Samoa's election – even with the results in hand – continued with several twists and turns. Samoa had been stuck in political deadlock since the election in April 2021. The Faatuatua i le Atua Samoa ua Tasi (FAST) party, which was formed by a breakaway group from the Human Rights Protection Party (HRPP), gained the upper hand over the incumbent party. After almost 40 years in power, the Samoan voters signalled their intention to challenge what had been effectively one-party rule. However this has proved to be difficult for the countries long time rulers to accept. Regional leaders issued cautious statements urging all parties to follow the rule of law and the matter was only settled three months after, through Court Rulings. It must be noted that the HRPP had pushed for 10% (6) of women in Parliament which was later proven as appropriate in court. The Samoan electoral commission subsequently determined that, with women comprising 9.8% of the elected members, the results did not fulfil a constitutional provision which required that at least 10% of seats be held by women. The new Government took office in July this year.

2. Rationale and Assessment

Samoa's population increased six-fold from 32,612 in 1902 to 195,979 in 2016 and is predicted to rise to 239,000 by 2040. Changing demographic trends and population movements are some of the challenges that the water sector continues to grapple with. The distribution of water resources is therefore very much determined by the country's geology and topography. The vulnerable state of the water catchment areas relative to growing demand highlight the need for concerted effort to intensify conservation and rehabilitation efforts. Reported incidences of high E.coli counts in several villages water springs is a reminder of the impacts of land use, sanitation and waste management practices on underground water sources. Direct waste disposal into rivers and streams especially for the major rivers in the urban setting has contributed to pollution to the coastal areas and have been targeted by clean-up and rehabilitation efforts.

This action will stimulate the sustainable management of natural resources and protection of the health and well-being of citizens (water sector and climate change adaptation) in Samoa. It builds on Samoa's overall good progress to meet the target of SDG 6 'clean water and safe sanitation for all'. Government and development partners' extensive investment in water and sanitation infrastructure and services over the past 15 years has resulted in very high levels of access to clean water (97%) and sanitation (97%). There are ongoing challenges in relation to sanitation, waste water management and the quality of water for the proportion of the population who are not connected to the main provider network³ with sustaining the gains thus far, deepening the response to climate change and disaster risk resilience and ensuring inclusive services, is the focus of the current Sector plan.

The action will contribute to progress on a number of Sustainable Development Goals as identified above and consequent fulfilment of economic and social rights, and gender equality, in line with Samoa's international human rights commitments.

Moreover, the action will contribute to the EU Gender Action Plan III, particularly to the thematic areas of engagement – 'Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation (climate change and environment)' and 'Promoting economic and social rights and empowering girls and women'.

3. List of actions

³ This is the population served by the Independent Water Schemes which is roughly around 10% of the total population of Samoa. Although not connected to the main network, it is important to note that much improvements to water quality has been made in these areas through the development of Drinking water safety plans for the relevant communities, installation of household filters for taps and the use of UV filters in school.

Already before Covid-19, the risk of public debt distress was high for Samoa. At the same time, Samoa has demonstrated its capacity to implement budget support operations under the previous financial framework. Against this background, the proposed budget support operation represents an important contribution towards increased fiscal space for Samoa's government.

This is essential to allow Samoa to pursue its Covid-19 response plan as well as stability-oriented macro-economic policies while implementing the Sector plan. This action will be adequately complemented by the Pacific Regional Programme 'Strengthening Public Finance Management (PFM), Oversight and Accountability in the Pacific region'. Its purpose is to strengthen PFM systems and governance of key domestic institutions at the national levels.

2.2. Problem Analysis

Over the years, the Samoa's water and sanitation sector has greatly benefitted from the dedicated financial support of the Government of Samoa and the EU providing the most significant budgetary assistance. Given the sizeable external funding of the sector, the financial risks to the sector are important⁴. Funding may be reduced due to a number of factors outside the control of the sector or may become too unpredictable hampering the programmes-based planning for the sector. When the previous EU budget support programme ended in 2019, the Government filled the funding gap for 2020-2021 and stepped up its negotiations with development partners for renewed support for the sector.

Financial viability is also a concern for individual agencies such as the Samoa Water Authority, which is balancing its conflicting obligations to be a self-sustaining state-owned enterprise. The Government ceased funding of the Independent Water Schemes Association in 2020, a key provider for community-based water schemes due to emerging concerns about national and global economies relating to the current Covid-19 pandemic.

The water and sanitation sector is also characterised by its important environmental and climate change dimension. Water is the primary medium through which communities will feel the effects of climate change. Higher temperatures and more extreme less predictable weather conditions are projected to affect the availability and distribution of rainfall, river flows and groundwater and further deteriorate water quality. Water availability is becoming less predictable and increased incidence of flooding threaten to destroy water-points, sanitation facilities, contaminate water sources and exasperate the spread of diseases. In some regions of Samoa droughts are exasperating water scarcity and thereby negatively impacting people's health and productivity and threatening sustainable development and biodiversity. Water scarcity may also increase the cost of water and sanitation provision. The action will therefore particularly support activities that – in line with the vision of the European Green Deal and the Water for Life Plan – promote multiple benefits. This is the case of nature-based solutions (or ecosystems-based adaptation/disaster risk reduction) where ecosystems act as a buffer against hazards, preventing disaster and reducing disaster impact on people, critical infrastructure and basic services. Conservation, restoration and the sustainable use and management of land, wetlands, and other natural resources strengthen disaster and climate risk management. Recognizing the interdependency between human well-being, ecosystems, and changing risk patterns, ecosystems also build local socio-economic resilience against disasters by sustaining livelihoods and providing important products to local populations in times of crises. Protecting and restoring water-related ecosystems such as forest, mountains, wetland and rivers is essential and very much part of the Water for Life Plan 2021-2025 to mitigate water scarcity. There has been continued work on the legal and policy frameworks of water resource management act and water abstraction licensing schemes, which has contributed to successful monitoring of waste disposal into river channels around the Apia Urban Areas in Samoa. The fortnightly monitoring has seen many precautionary notices being issued to families and individuals for the disposal of waste materials into the river and drainage channels around Apia. These activities have contributed greatly to the well-being of aquatic species and ecosystems within these river channels, as well as ensuring that the quality of the water resource is not compromised.

Samoa like other small island counties are bearing the brunt of climate change impact, with changed weather patterns, rising sea levels and more frequent natural disasters. In the aftermath of the 2009 Tsunami, and with rising sea levels increasingly encroaching onto shorelines, people are migrating inland and to higher grounds. This trend presents the immediate challenge of providing water supply for resettled populations and the more long term impact of higher lands clearance for settlement and livelihoods further degrading critical water catchment areas. Flooding due to climate change also affect sanitation, damaging drainage infrastructure and wastewater treatment facilities. During flooding the flood water can burst sewers lines, where they exist and overwhelm waste treatment plants. In Samoa, with the low numbers of safely constructed septic tanks, flooding means that pit latrines and septic tanks are liable to overflow and may contaminate water sources and heighten the risks for diseases outbreaks.

⁴ As per current MTEF (received from MNRE – 21.07.2021) in WASH Sector Policy - external funding (EU and other projects) makes up 43% of sector's MTEF, 57% is funded by the Government of Samoa.

Watershed Management and Conservation: Population inland drifts due to climate change and disasters, major agricultural programs encouraging the transition to semi-commercial farm, unchecked developments and subdivision of major upland holdings are major challenges to the efforts to conserve and protect watershed areas. Despite legislated ownership by government of water sources, the enforcement of these laws remain a challenge and land ownership issues still hamper watershed conservation and management efforts. Progress has been made, however, strong buy-in and partnerships with villages are critical to accelerating initiatives to safeguard water resources especially given the risks posed by climate change and climate variability.

Stakeholders:

The WASH sector is a multi-agency with diverse stakeholders and responsibilities. It includes sector partners and stakeholders ranging from Government Ministries, Government Corporations, Civil Society Organisations (including Non-Governmental Organisations (NGOs) representing widely different groups of rights-holder, particularly women and those living in vulnerable situations and Community Based Organisations) and the private sector. Equal women's participation will be promoted, and community representatives will include women representatives.

The **Ministry of Natural Resources and Environment** is the principal duty bearer of the action, lead ministry responsible for policy guidance, coordination and regulation of all water and sanitation activities including oversight to the local governments and other water supply service providers. They also in the lead for the water resource management, waste management systems and disaster preparedness and coordination, climate change, weather services information and implementation of renewable energy projects and initiatives.

Other relevant government ministries include:

- the **Ministry of Agriculture and Fisheries**, responsible for planning, coordination and implementation of all agriculture development including irrigation development, aquaculture and livestock development,
- the **Ministry of Education, Sports and Culture** dealing with the promotion of sanitation and hygiene education in schools and monitoring of school sanitation facilities,
- the **Ministry of Health** overseeing regulatory and monitoring services promote quality water supply, improve sanitation and hygiene, increase health promotion programs and provide technical advice,
- the **Ministry of Finance** which is responsible for the mobilization and allocation of financial resources including coordination of donor inputs and the privatization process.
- **Ministry of Works, Transport and Infrastructure** providing coordination, policy and regulatory support for drainage and flood control as well as responsibility for the building code, which impacts on regulation of sanitation system
- **Ministry of Women Community and Social Development** provides coordination of Government's support to community managed water schemes through the Independent Water Schemes Association

The **Samoa Water Authority (SWA)** is main public agency working in the water sector. It is a state-owned enterprise responsible for the delivery of a piped water supply services to approximately 88% of the population of rural and urban areas of Upolu and Savaii and a sewerage service to approximately 70% of commercial properties in Apia.

Other Government Corporations include:

- Electric Power Cooperation (state owned enterprise responsible for the delivery of electricity supply including generation of hydropower), Scientific Research Organization of Samoa (provides water testing interventions),
- STA (implementation of garden toilets funded by the sector and ongoing monitoring of sanitation facilities of tourism industry properties), and
- LTA (state owned enterprise responsible for road maintenance including public drains affecting the road reserve).

The Civil Society includes:

- IWSA (oversight functions for the independent water schemes),
- the Plumbers Association (strengthening plumbing trade and guidance to the plumbing industry),
- Samoa Red Cross Society (technical oversight functions on rain water harvesting and capacity building initiatives on sanitation, hygiene and water storage), and
- SUNGO (umbrella body functions with the public sector and provides technical support).

The private sector supports through valuable resources for design, construction, operation and maintenance of water and sanitation facilities and conducting of trainings, capacity-building initiatives.

A comprehensive institutional and governance framework has been established with the Joint Water and Sanitation Sector Steering Committee at its apex and the Sector Coordination Unit as the core of the set-up. A robust framework for monitoring and reporting on implementation efforts is in place including an effective and elaborate network of committees and processes to coordinate and integrate planning, programming, implementation and monitoring of sector-wide and subsector responsibilities.

2.3. Additional Areas of Assessment

2.3.1. Pre-condition on Fundamental Values

No need to assess Fundamental Values since this is a sector reform performance contract.

2.3.2. Public Policy

From 2005-2010, the EU-funded the 'Water Sector Support Programme' supported the implementation of the first 'Water for Life Sector Plan 2008-2012'. This sector plan guided the work to, inter alia, develop governance, implementation and accountability systems as well as the regulatory framework for the sector's work. A second 'Water for Life Sector Plan 2012-2016' strengthened the institutional arrangements, legislative framework and continued the implementation of the Investment plans for the sector. The third iteration of the Sector Plan 2016-2020, continued sector developments and building on successes of previous efforts and incorporated a greater awareness of climate change on the sector.

The present fourth 'Water for Life Plan 2020-2025' (the 'Sector plan')⁵, which is the sector plan to be supported with the proposed action, will further consolidate progress made so far, with more focus on the persistent challenges and seeks to increase the sustainability and resilience of the sector. It aims to support the sector to even greater levels of performance through a migrating to longer-term planning, including for climate change and disaster risks. Its ambition is to add more focus on inclusion and equity by improving the water quality and safe sanitation for vulnerable populations. In the context of challenging economic times, progress towards universal access to safe/treated water and sanitation services must be balanced carefully, building on previous achievements in the sector.

The previous support by the European Union supported the Water and Sanitation Sector in addressing the many challenges hindering the achievement of access to safe water and sanitation for all. Concrete progress had been made across all the key performance areas for the sector. These are detailed in the final review of the 'Water for Life Plan 2016-2020' performance. The review highlighted include impact of climate change on water resources, increasing access to treated/safe water, improving sanitation infrastructure and hygiene practices and continuing to address financial, human resource and institutional constraints which is being addressed in the Sector plan. The vision for the new sector plan is *"For all people of Samoa to have access to sustainable, safe and affordable water, improved sanitation and hygiene services enhancing health, productivity and resilience."* The sector will be pursuing the following six outcomes towards realization of the overarching goal:

- (i) Sustainable integrated water resources management from ridge to reef;
- (ii) Sustained access to reliable and safe water;
- (iii) Increased water quality monitoring, waterborne diseases surveillance and access to safe/treated water;
- (iv) Sustainable access to improved sanitation and wastewater systems increased and proper hygiene practices enforced and monitored;
- (v) Strengthened flood mitigation measures and
- (vi) Strengthened sector governance, communication and capacity.

Over the past four years, the water and sanitation Sector continued to perform strongly in its goal of providing access to safe water and sanitation for all Samoans in line with the SDG 6 targets. However, the next five years will be critical for the sector to balance between (i) funding for ongoing maintenance and upgrades, (ii) new investments and initiatives and (iii) self-insurance against future impact of climate change and disasters. Climate change and disasters continue to be priority risks for the Sector, given the high likelihood and inevitability of occurrence and potential impact. The Sector plan will build on the gains made in improving the sector's resilience to climate change and deepen these interventions in alignment to the 'National Policy on Climate Change' being developed. A mapping of specific climate change and disaster risks for the WASH sector will provide a solid platform for sector specific future-proofing investments across all of its subsectors.

⁵ The Water for Life 2020-2025 has been finalised however cabinet approval is pending. It is expected that the policy will be scrutinised by the new government prior to approval. The expected timing of the approval is December 2021.

The sectors performance monitoring and evaluation framework continues to be strengthened with each review and planning process. The tools and the processes to monitor and evaluate progress are well established and continue to be refined, providing evidence-based reporting and information flow between the Government, development partners, NGOs and the private sector. The key features of the current water sector monitoring and reporting mechanism tools are:

- i) **Performance Matrix** – establishes short, medium and long term national and sector outcomes and associated targets aligned to national development priorities; establishes performance targets and indicators for the six subsectors and facilitates reporting of critical information required for sector leadership to make informed decisions while also ensuring that required transparency and accountability in implementation of sector work plan.
- ii) **Medium Term Expenditure Framework** – provides an overview of the allocation of financial resources for the sector and provides the basis against which financial performance is tracked and accounted for.

The monitoring and evaluation process include monthly and annual progress reports from implementing agencies to Sector Steering Committee; quarterly and annual progress reports by the sector to Steering Committee for endorsement and onward submission to the Ministry of Finance and where required the Cabinet Development Committee; quarterly monitoring and quality assurance visits and joint annual joint Government of Samoa and development partner performance reviews. The Annual Sector Review forum is a significant event in the Sectors calendar. It brings together all stakeholders, community and beneficiary groups’ representatives, development partners with the implementing agencies to review the Sector’s progress. The aims are to acknowledge and celebrate the achievements, reaffirm or sails adjust for remaining works drawing on lessons learnt and responding to emerging challenges.

Samoa is one of the first countries in the Pacific to undertake the first pilot Climate Responsive Public Financial Management Review by using the newly developed Climate Responsive Public Expenditure and Financial Accountability (PEFA) Framework. The mission was conducted in October 2020 and the report was officially published in February 2021. The review collected information on the extent to which Samoa’s PFM systems and processes are ready to support and foster the implementation of government climate change policies that is ‘climate responsive’. The review further informed on whether laws and regulations, institutions, systems, procedures and processes to support the implementation of climate change actions throughout the budget cycle, including the planning and design of budgetary policies considering climate, the budget allocations needed to implement them, the tracking of these allocations to ensure that policies are implemented as intended, and the monitoring and evaluation of the efficiency and effectiveness of these policies and investments.

The assessment evaluates Samoa’s performance in accordance with 14 indicators (29 dimensions) of the PEFA climate framework (as below) and each dimension and indicator has been assessed against the criteria set out in the PEFA Field Guide. Of the 29 dimensions, seven were deemed to be not applicable (NA). Of the remaining 22 dimensions: two were rated B, demonstrating good performance; nine were rated C, demonstrating satisfactory performance; ten dimensions were rated D demonstrating less than satisfactory performance; and one was rated D* where there was insufficient evidence available to make an assessment.

Indicator	Description	1	2	3	4	Indicator
CRPFM-1	Budget alignment with climate change strategies	B				B
CRPFM-2	Tracking climate related expenditure	D				D
CRPFM-3	Climate responsive budget circular	D				D
CRPFM-4	Legislative scrutiny	D	C			D+
CRPFM-5	Climate responsive public investment management	D	D	D	D	D
CRPFM-6	Climate responsive asset management	D				D
CRPFM-7	Climate related liabilities	D	C			D+
CRPFM-8	Climate responsive procurement	C	C	C	D*	D+
CRPFM-9	Climate responsive revenue administration	NA	NA			NA
CRPFM-10	Compliance of climate related expenditure	C	C			C
CRPFM-11	Climate responsive fiscal decentralization framework	NA	NA	NA		NA
CRPFM-12	Climate related performance information	B	C			C+
CRPFM-13	Climate related performance evaluation	D	D			D
CRPFM-14	Expenditure outturn for climate activities	NA	NA			NA

A policy costing has been included in the draft sector plan. The delivery of the five-year work programme for the sector will require approximately a budget of Samoan Tala (SAT) 200,571,729 million (approximately EUR 67 million) against a total projected funding or total resources available of SAT 135 million (approximately EUR 44 million).

A comparison of funding estimates for the programme and budget commitments to the sector after the injection of the EU budget support of EUR 13.3million (approximately SAT 40 million) indicates that the Sector plan will still face a slight funding gap of SAT 31 million (approximately EUR 10 million). This entails the need for the sector to identify additional funding sources to ensure Sector programmes and targets are met within the agreed timeframe.

Budget support is becoming firmly entrenched within the sector, with the sector having risen to the associated challenges (such as more strategic planning and responsibility for implementation) as well as the Government creating the Coordination Unit to provide overall coordination to the sector, which covers several ministries and implementing agencies.

In conclusion, the policy is sufficiently relevant and credible for budget support contract objectives to be largely achieved. Therefore the policy can be supported by the EU with the proposed budget support programme.

2.3.3. Macroeconomic Policy

The March 2021 IMF Article IV concluded that Samoa has shown resilience to past economic shocks, underpinned by the authorities' strong commitment to support the economy, and financial assistance provided by the international community. Samoa was among the first countries in the world to secure its border to protect its citizens from Covid-19. With support provided by the international community, the authorities' quick response to the measles outbreak in 2019 and the global pandemic included safeguarding human capital, providing support to the private sector and vulnerable businesses and households, and maintaining macroeconomic stability. The prolonged effects of the global pandemic heightened the economic challenges, adversely impacting the wellbeing of Samoans. The border closure and restrictions under the State of Emergency kept the pandemic at bay and avoided the collapse of the health system. Nevertheless, the prolonged border closure dealt a severe blow to the tourism sector, with spill overs on other sectors, and resulted in a severe economic contraction. GDP in 2020:Q3 recorded a fourth consecutive quarterly decline, and the economy fell back to the 2014 level with setbacks on SDGs⁶. Samoa confronts daunting economic challenges, with financing gaps expected to re-emerge and needs to turn adversity into opportunity. The authorities have pushed through reforms with steadfast commitments, underpinning macroeconomic stability. With donor support, policy continuity should help pave the road for an inclusive, durable economic recovery, and minimize scarring effects of the pandemic. Samoa closely engages with the IMF and other development partners, and policies so far have been largely in line with IMF advice.

Samoa was hit by two health shocks within a single year, with devastating impacts and lingering aftershocks. Domestic economic activities came to a near halt, with the measles outbreak in 2019:Q4. The global pandemic followed shortly after, forcing the Government to close the border and implement social restrictions under the State of Emergency. While the international community rushed to provide needed support, the blow to the economy was still severe, and resulted in a deep contraction in real GDP, reaching -16.3% (y/y) in 2020:Q3. Execution of the capital expenditure budget was adversely affected by heavy, frequent rains with the border closure, which also affected construction more broadly. Credit to the private sector continues to slow, amid heightened risks. Weak domestic demand, reduction in utility prices, and declines in global commodity prices pushed inflation down to -1.6% (y/y) in 2020.

The Samoan economy recorded twin surpluses in FY2020 (ending June 2020). The overall fiscal surplus reached 6.7% of GDP, reflecting favourable tax revenue outturns and under-execution of the capital expenditure budget. In addition, sizable import compression, driven by weak public and private demand and declines in fuel prices, resulted in a current account surplus of 1.2% of GDP. Remittances proved resilient, with fiscal stimulus measures implemented by source countries (Australia, New Zealand, United States), and increased by 5% (y/y). IMF projects real GDP to contract by around 7.8% in FY2021, following a 3.2% decline in FY2020. Samoa experienced severe floods around the time of the festive season, which dealt another blow to the economy costing (based on the authorities' estimate) at least 1.5% of GDP. However, reconstruction efforts are expected to boost construction. Most social restrictions were lifted in December, stimulating household consumption. A supplementary budget in December 2020 extended the stimulus measures. The push by the government to fully execute its budget towards the end of FY2021 will likely

⁶ SDG 6 and other water related SDGs -

https://sustainabledevelopment.un.org/content/documents/26429Samoa_Samos2ndVNR2020reduced.pdf

promote economic activities during 2021. Reflecting the projected global recovery, commodity prices are expected to pick up in 2020, underpinning IMF's inflation projection of -2.5% for FY2021.

The IMF Article IV reports states that the Samoan economy is projected to start recovering in FY2022. Implementation of effective macroeconomic policies and structural reforms will stimulate economic activities further, facilitate job creation, and help heal the scarring effects. But the recovery will be sluggish due to slower growth in the tourism sector, and requires careful attention to manage resource allocation to support the private sector. Under-execution and premature withdrawal of economic stimulus measures could impede the pace and durability of the recovery, and strain financial stability. The recovery path also depends on the procurement and rollout of vaccines and resumption of private sector activities. Premature opening of the border poses a threat of a domestic outbreak of Covid-19. High vulnerability to natural disasters continues to threaten the economy. AML/CFT concerns could potentially hurt perceptions on remittance flows, raise pressures on CBRs, and adversely impact the economy and reserves coverage.

Samoa has no confirmed cases of Covid-19 within its border, and the authorities are intent on maintaining Samoa's COVID-free status. They are cautious that a premature reopening of the border could compromise the safety and security of the country, and may lead to a national lockdown and tighter restrictions. The lingering effects of Covid-19 have the potential to strain financial stability at a time when climate change remains a major threat to the country.

Samoa remains at high risk of external and overall debt distress, unchanged from the previous DSA published in April 2020. Public and Publicly Guaranteed debt accounted for 53.8% of GDP in FY2020, comprising central government debt (46.7% of GDP) and central government guaranteed state-owned enterprises debt (7.1% of GDP). There is no sub-national government structure in Samoa. The Central Bank of Samoa is not allowed to contract debt on behalf of the government. The state-owned enterprises must seek government approval annually for all new loans. The Samoan authorities have begun reporting nonguaranteed state-owned enterprises debt from FY2020 (estimated at around 1.1% of GDP in FY2020). This is not included in the debt definition but captured in the contingent liability stress test⁷. The definition of external and domestic debt is based on residency⁸. The Samoan authorities are currently working towards strengthening the monitoring and disclosing of fiscal risks with the assistance of PFTAC.

In conclusion, the authorities are pursuing a stability-oriented macroeconomic policy and the eligibility criterion is met.

2.3.4. Public Financial Management

There has been a high level of country ownership around improving PFM performance, which has been an ongoing process of continually improvement. Samoa has worked hard to ensure it can keep up with the evolving PFM environment and the greater requirements that arise. But, like many small countries, capacity and capability are fragile with a small body of people doing the required work. Developing domestic capacity in basic areas of PFM remains a priority of reform within the Samoan economy. Ministry of Finance has the lead role in PFM with inland and customs revenues is the responsibility of Ministry of Revenue. Samoa has relatively advanced PFM systems and are ready to introduce "second-generation" PFM reforms such as accrual accounting, whole of government reporting, and fiscal risk analysis.

Samoa has worked hard to ensure it can keep up with the overall evolving PFM environment and the greater requirements that arise from this. Samoa has adopted a positive approach towards improving overall PFM performance over the past fifteen years. A high level of country ownership has seen an ongoing process of continually assessing performance, developing reform plans, and implementing recommended changes. Ongoing assessment of the PFM system has been achieved through four full PEFA's conducted in 2006, 2010, 2014, and 2018. Fieldwork for the 2018 PEFA assessment undertaken in July 2018 covered the fiscal years 2014/15, 2015/16 and 2016/17, was finalized in July 2019, and concluded that there had been a visible continual improvement in PFM processes.

Recent and on-going PFM reform actions: In 2008 a two-phase approach to PFM reform was proposed focused on basic strengthening of systems to achieve basic fiscal discipline. The second phase built on previous achievements and the consolidation and strengthening of financial discipline, while at the same time actively pursuing improved resource allocation and efficiency, in part through strengthening performance-based management linked to a medium term expenditure framework (MTEF) and sector wide plans and investment programs; and further strengthening revenue administration. The underlying basis for reforms in recent years (third phase) was to roll out consistent

⁷ The Government is strongly encouraged to report non-guaranteed SOE debt in the FY2022 budget documents and on an ongoing basis.

⁸ Since all the domestic debt is in tala and all the external debt is in foreign currency, the residency-based classification is equivalent to the currency-based classification in the case of Samoa.

standards to all line ministries to improve the efficiency and effectiveness of the public service in managing the collection and expenditure of funds as well as ensuring policy cohesion between planning and budgetary processes. A key aspect of reform has been the advent of a Joint Action Policy Matrix (JPAM) which aims to improve aid effectiveness through greater use of country systems, including through increased use of budget support modalities. In the 2020/21 Budget, Samoa anticipated SAT 126 million (EUR 41.25 million) in budget support resources (representing around 15% of operating revenues) linked to the JPAM, a significant increase on the SAT 23 million (EUR 8 million) provided in 2019/20, due to Covid-19 related support.

PFM roadmaps have been utilized in preparing Joint Policy Action Matrices (JPAMs) in Samoa for the budget support programmes. The first JPAM was prepared in about 2010, and represents a structured dialogue or a coordination mechanism between Development Partners that provide budget support (principally the ADB, Australia, the EU, New Zealand, and the World Bank), ministries of finance and other arms of the national government. They also inform the policy dialogue between the countries and the IMF's Article IV missions. The matrices include information on the economic and social priorities of the government (e.g., education, health, energy, and climate resilient infrastructure) to which disbursements of budget support will contribute, the indicative amounts of support that each Development Partner will provide over a 2-3-year period, and the conditions that will be attached to that support. Conditionality include PFM and fiscal issues such as revenue/tax policy and administration, wage bill management, procurement, and the management of Public Private Partnership as well as other topics such as reforms of the business environment, state-owned enterprises, public service management (performance, job sizing, etc.), education and health, social protection, fisheries, tourism, and disaster/climate change. JPAMs have proved an effective tool for negotiating budget support by consolidating the supported reforms in one place, for all partners, and in that process prioritizing a handful of reforms, having clarity on what needs to be done to get budget support, usually linking to TA/CD if needed to ensure that happens, and minimizing the transaction costs of government—relative to every partner having their own matrices, with potentially overlapping and inconsistent actions and conditionality's. The process of preparing JPAMs has proved useful in bringing development partners and government officials together to discuss and clarify issues, improving coordination, and avoiding overall and duplication in support. JPAMs prepare the ground for the legal agreements on budget support that are signed by the Government and development partners concerned.

The 2018 PEFA assessment (published in 2019) was the fourth in a series of PEFA assessments for Samoa during the period from 2004 to 2018. Each PEFA assessment identified areas of weakness which then formed the development of a subsequent PFM Reform Roadmap, identifying the priority areas to be addressed. An overall improvement in PFM performance was noted through the PEFA as follows:

- budget credibility where improved outcomes in the actual composition of expenditure compared to original approved budget and in the management of expenditure payment arrears;
- transparency through the reduction of unreported government operations;
- a greater effort in undertaking a multi-year perspective towards planning and budgeting;
- predictability and control in budget execution with greater transparency on taxpayer obligations and liabilities and introduction of an appeals process, improved cash flow forecasting and monitoring, and improved processes around debt management, particularly recording of information and better systems for contracting loans and providing guarantees;
- improved clearance of suspense accounts;
- the quality of information contained within in year reports;
- completeness and timeliness of end of year financial statements which are now IPSAS (International Public Sector Accounting Standards) Cash compliant; and
- reduced delays in submitting audited financial reports to the Legislative Assembly.

PMF Reforms to Support Execution of Fiscal Policies

Based on the findings by the 2019 PEFA assessment, the PFM reforms in Samoa need to focus on:

- Improving budget reliability, predictability, and execution controls, with enhancing cash management and forecasting. Credibility of revenue projection needs to be enhanced. Improving physical and financial execution of development projects requires immediate attention. The budget must reflect timely assessment of implementation delays with corrective actions to improve its predictability and execution controls.
- Seeking to improve procurement efficiency based on the new Procurement Manual. Greater attention is needed on governance and transparency over procurement contracts, with the ongoing practice of reporting beneficial ownership information and ex-post audit.
- Strengthening state-owned enterprises' performance. Monitoring contingent liabilities of state-owned enterprises and analysing their fiscal risks remain critical for effective PFM. Providing adequate budget support to state-owned enterprises (in particular, those providing direct assistance to households and

businesses) will help manage their cash-flows and reduce financial risks. Such assistance must be well balanced with the overall objective of enhancing governance and transparency of state-owned enterprises, and their performance, in line with the Joint Action Management Plan.

The lead role in PFM is assigned to Ministry of Finance, which consists of the Economic Policy and Planning Division (EPPD) responsible for (coordination, preparation and monitoring of plans for the economic development of Samoa, appraisal of development projects for the Cabinet Development Committee, and the provision of economic advice) formulating and monitoring fiscal policy, and integrating fiscal and monetary policies in the national economy in cooperation and coordination with the Central Bank and related institutions; Aid Coordination and Debt Management Division (ACDMD) responsible for the coordination of development partner assistance and managing the internal and external public debt; Operational Management Department (OMD) responsible for preparation and implementation of the budget, Treasury functions and public internal financial controls; Energy Policy and Coordination Division (EPCD) responsible for the administration of the Petroleum act and coordination and monitoring of the National Energy Policy and related projects and activities PFM and Finance Sector Coordination Division (PFMFSCD) responsible for coordination and management support design, implementation, monitoring and evaluation of the Public Finance Management Reform Program (PFMRP) and the Finance Sector; and Climate Resilience Investment and Coordination Division (CRICD) responsible for coordination of climate resilience investment program.

Responsibility for procurement lies with the Central Tender Board (CTB) which is established through the PFMA and who oversee the whole procurement cycle from the calling of tenders to the disposal of assets. The Procurement Division within Ministry of Finance provides the planning and documentation for the CTB and serves as the Secretariat. The Ministry of Revenue (MOR) is the key institution responsible for most of the revenue collection of both inland and customs revenue.

During the last PFM assessment in 2019, the Delegation cited the government's desire for the PEFA assessment to form the basis of the next PFM Reform Plan (Phase IV) for the next three years. **This Phase IV is now integrated into the new Finance Sector Plan 2020/2021– 2024/2025.** The PFM Reform Plan will be part of the Goal 1 (Resilient Macroeconomic Framework) which the Samoan Government is currently working on with the World Bank to be finalised soon. The finalisation and approval of the Finance Sector Plan is one of the actions foreseen to be completed by the end of 2021 under the Joint Policy Action Matrix (JPAM). The Finance Sector Plan receives cabinet approval before it's published. However considering the political impact of the new government in place - the finalisation and approval timelines could potentially shift a bit later towards the last quarter of 2021⁹. There will be a thorough review of the government budget and the finance sector plan before approval by the Government.

In conclusion, the public finance management reform strategy is sufficiently relevant and credible, including on domestic revenue mobilisation, and the eligibility criterion is met.

2.3.5. Transparency and Oversight of the Budget

The trend in public finance management has been positive with the Government undertaking to address shortcomings identified. On the Fiscal Transparency front, the budget document is available publicly online (and on-request) after approval by the Legislative Assembly, of which currently focuses solely on the budget year and estimates of the previous FY. The budget documentation focuses heavily on significant amounts of performance information. Debt management continues to provide regular reporting on public debt, including a performance audit for debt management operations, to strengthen accountability and transparency. Approved budget estimate of receipts and payments of the government of Samoa for the financial year (FY20/21) ending 30th June 2021 together with the Fiscal Strategy Statement for all Financial Years, including FY20/21 and the budget address from the Minister for Finance is available at the Ministry of Finance website.

The PEFA 2018 report highlighted several elements which should be contained within budget documentation to improve the readers understanding of the overall fiscal environment are absent. Extra Budgetary Unit financial reports exclude reporting on externally funded projects in their financial statements. Total budgeted expenditure and revenue for state-owned enterprises are reported as a footnote to the consolidated public accounts, but are not split between Extra Budgetary Unit's and public corporations. Debt management remains a strong area of performance. The three-year debt management strategy is publicly reported. Debt records are kept up to date and complete and there are strong controls and procedures on accessing additional debt.

The Ministry of Finance website has been upgraded to provide better quality and up-to-date information for all stakeholders. Main elements considered for the change was to keep it simple and allow for future expansion, to

⁹ It is expected that the Finance Sector Plan is approved prior to the signature of the Financing Agreement.

populate information in a timely manner and to make it simple for stakeholders and public to navigate. This online service offers many features and more up to date information. The design reflects the current setup within the Ministry of Finance communication system with promising turn around response times.

The Government has made substantial progress in strengthening its procurement systems in recent years, which has helped to improve value-for-money in public expenditure and enhance public service delivery in Samoa. The Government through the approved and updated Treasury Instructions and Procurement Guidelines has provide comprehensive and legally enforceable rules for public procurement, covering procurement methods, transparency, eligibility, documentation, evaluation criteria and processes. Transparency of taxpayer obligations and liabilities has improved across a range of factors including the existence of a functioning tax appeal mechanism, easier access to information and greater clarity on administrative procedures and legislation.

The Finance and Expenditure Committee hearings are conducted in public with a few exceptions in addition to national security or similar sensitive discussions. This committee reports are provided to the full chamber of the legislature and published on their website or by any other means easily accessible to the public. The policy for conducting public hearings at the committee level has increased the transparency of the scrutiny of the audit reports. The 2018 PEFA assessment attributes an overall score of B on transparency of public finances.

The State budget for FY 2021/2022 is currently being scrutinised by the new government. It is expected that this will be approved in August 2021.

In conclusion, the relevant budget documentation has been published and the eligibility criterion is met.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to enhance environmental sustainability and resilience to climate change and natural disasters and to contribute to the transition to a green economy.

The Specific(s) Objective(s) (Outcomes) of this action is to support the access to sustainable, safe and affordable water, improved sanitation and hygiene services.

This objective is aligned with the vision of the Samoa ‘Water for Life Plan 2020-2025’. The action proposed will focus on policy elements which are highly relevant to climate change adaption such as watershed areas rehabilitated/reserved, water catchment areas with water-shed management plans developed and implemented and the drainage upgrade works within the drainage network.

The Induced Outputs to be delivered by this action contributing to the Specific Objective (Outcome) are:

IO1. Sustainable integrated water resources management from ridge to reef

IO2. Sustained access to reliable and safe water

IO3. Strengthened flood mitigation measures

IO4 Strengthened sector governance, communication and capacity.

The direct outputs include:

DO1. Additional fiscal space created by the transfer of funds and increased predictability of funds.

DO2. Improved policy performance assessment and monitoring.

DO3. Improved policy dialogue and sector coordination.

3.2. Indicative Activities

Activities related to the Direct Outputs

- Inclusive policy dialogue on water resilience and climate risks and climate resilience policies with Government and alignment with Government priorities;
- Coordination with other development partners within the joint policy action matrix mission and the regular monitoring of budget support eligibility criteria and the sector performance through the annual review forum of the sector, ad hoc exchanges with sector stakeholders and the various implementing agencies;

- Monitoring of macroeconomic conditions taking into account IMF Article IV missions and other relevant assessments;
- Monitoring of public finance management eligibility on the basis of government PFM reform strategy and related assessment as well as ad-hoc analyses;
- Analyses of budget transparency which will be undertaken through verification of public availability of appropriate documentation.
- Monitoring of Financial Additionally.

The commitment of the EU's contribution to the Team Europe Initiatives foreseen under this multiannual action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

3.3. Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions)

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

An Environmental Management Plan (EMP) will be developed for all actions undertaken under this project, with a particular focus on minimizing waste generated by the action and for its proper disposal.

Furthermore, the action will support activities at different level of government, private sector and citizens to apply – whenever suitable – that enhance nature and the services proved by ecosystems

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender equality is an important and deliberate objective, but not the principal reason for undertaking the programme, often explained as gender equality being mainstreamed in the programme.

Samoa's National Policy for Gender Equality (2016-2021) has a multi-sectoral approach. It provides a comprehensive framework for accelerating and enhancing gender equality and the well-being of women in Samoa. The main areas of this policy include peaceful families and communities; healthy women and girls; equal economic opportunities for women; increased access to education; enhanced gender equality approaches to community resilience and disaster preparedness; and enhanced institutional mechanisms for the promotion of gender equality.

Samoa has over 275 local government areas of which 192 are traditional villages, 48 are sub-villages of traditional villages, and 35 are non-traditional villages¹⁰. Water resilience is a priority and climate change as a concern for villages. Generally these villages have a committee of wives who have their focus the reduction of infectious diseases and improving water, sanitation and hygiene. The women manage household water and sanitation and as a group carry out regular inspections monitoring the cleanliness and hygiene standards of homes. It is thus critical that the action and the sector processes encourage greater engagement and contribution of women at all levels of decision-making for water resilience matters, , including promotion of equal representation of women on water management mechanisms.

¹⁰ Non-traditional villages include new settlements, large residential compounds and suburban areas mostly in the urban and peri-urban areas. Traditional villages are governed by village fono, which includes matai from all families within the local polity and are the apex governing body responsible for setting rules and enforcing them for community well-being, peace, health and social issues.

Human Rights

While the Constitution of Samoa provides for the protection of certain fundamental human rights, there continue to be several major issues. Major areas of concern include the under-representation of women, domestic violence and poor prison conditions. Reports issued under the auspices of the United Nations have noted that societal attitudes towards human rights tend to be skeptical, this is attributed to concern that that enforcement of such rights will be at the detriment of Samoan customs and tradition. Another point of concern is gay rights in the country as homosexuality is illegal.

Human rights-based approach and its key principles (applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data) will be integrated throughout the action. Particular focus will be given to inclusive policies targeting women and persons living in vulnerable situations, persons with disabilities and others mostly affected by climate change in their daily lives.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D2. This implies that disability is an important and deliberate objective, but not the principal reason for undertaking the programme, often explained as disability being mainstreamed in the programme.

The Samoa Disability Sector consists of national service providers and agencies working for the interests of persons with disabilities. From a small number of disability service providers in the 1970s, the disability sector has expanded to include services for children with intellectual, hearing, vision and physical disabilities.. These services were established by non-government and non-profit organizations. NGOs have been the main source of influence and service provision to people with disability in Samoa through special schools, inclusive education services, early intervention and sports programs, advocacy activities and vocational training programs. The strong, sectoral partnership between government, civil society and also community-based organizations, has been the key determinant in the decision to sign the Convention on the Rights of Persons with Disabilities (CRPD), and this took place on 25 September 2014. This partnership will remain the basis for striving forward towards ratification of CRPD.

Democracy

Politics of Samoa takes place in a framework of a parliamentary representative democratic state whereby the Prime Minister of Samoa is the head of government. Existing alongside the country's Western styled political system is the fa'amatai chiefly system of socio-political governance and organisation, central to understanding Samoa's political system. The national government generally controls the legislative assembly as it is formed from the party which controls the majority seats in the assembly. Executive power is exercised by the government. Legislative power is vested in the assembly, but the government generally controls legislation through its weight of numbers in the Fono. The Judiciary is independent of the executive and the legislature.

General elections were held in Samoa on 9 April 2021. Preliminary results showed a tie between the HRPP and FAST, with each winning 25 seats in the Legislative Assembly. This was confirmed in the final count. However, the Samoan electoral commission subsequently determined that, with women comprising 9.8% of the elected members, the results did not fulfil a constitutional provision which required that at least 10% of seats be held by women. As a result, an additional female candidate of the HRPP – was declared elected, increasing the parliament's membership to 52 and the HRPP's seat total to 26. Following this an independent winning member, announced that he would side with FAST, creating a hung parliament with both the HRPP and FAST holding 26 seats. However, on 17 May 2021, the Supreme Court of Samoa overturned the decision of the electoral commission, cancelling the additional seat, and ruling against the PM's (Tuileapa) request for a new election. This gave FAST a slim majority, allowing them to declare victory and select Mata'afa as Samoa's first female Prime Minister. Tuileapa refused to accept the results and instead suspended Parliament, preventing Mata'afa from being sworn in and plunging the country into a political crisis. The HRPP stated that they would not permit a government to be formed until all 28 election petitions have been heard.

Conflict sensitivity, peace and resilience

The relationships between different parts of the traditional Samoan socio-political system are structured in a way that promotes peaceful relations within society. In particular, the system divides power between different political actors, both individual and corporate, so that none can claim paramount control, and each is made accountable to the other. This dispersal of power is the key feature of the system and one which contributes significantly to peace. It is a feature that also pervades processes that are part of the system. However, the chapter also argues that traditional institutions are not only conduits for peace, but also conflict, a feature that is often ignored in analyses of peace in Samoa. Any post disaster needs assessment needs to be sensitive to any pre-existing social, ethnic or religious divisions within the society and suggest policies and measures that mitigate their effects through recovery, rather than aggravating them.

Disaster Risk Reduction

The National Action Plan (NAP) for Disaster Risk Management (2017 – 2021) is an operational document in Samoa read in conjunction with the National Disaster Management Plan (NDMP) 2017-2020. The NAP provides a day-to-day guide for operations and a monitoring, evaluation and learning (MEL) framework to assess performance and advance accountability of the Disaster Management Office (DMO). Strategically, the outcomes and outputs articulated in the NAP align to the National Strategy for the Development of Samoa (SDS), the National Environment Sector Plan (NESP) and are reflective of Samoa’s Disaster and Emergency Management Act (2007). The NAP reflects global and regional priorities articulated in the following agreements: Sendai Framework for Disaster Risk Reduction (SFDRR), Samoa Pathway Agreement and the United Nations, Sustainable Development Goals (SDG) and the Framework for Disaster Resilience in the Pacific (FDRP) – regional framework for disaster resilience. In addition, the NAP is further informed by lessons learned from the 2009 tsunami and 2012 Tropical Cyclone Evan operations. Both of these disasters highlighted Samoa’s strengths in relation to DRM, as well as operational challenges in need of further attention. The NAP highlights the imperative to mainstream DRM across all sectors. In this way, risk considerations are continually factored into planning, implementation, monitoring and evaluation. Mainstreaming DRM seeks to share responsibilities for decision-making with key stakeholders from government, civil society, communities, the private sector and development partners. Challenges related to DRM can be met only through coordinated and sustained collaboration with the aforementioned stakeholders. The activities to be implemented under this project will contribute to DRM by promoting sustainable integrated water management from ridge to reef which will reduce vulnerability to the effects of natural hazards such as flooding, droughts and landslides. The action will promote – whenever suitable – DRM measures that favour Ecosystem based DRR and adaptation

Other considerations if relevant

N/A

3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
Covid-19	The emerging concerns about national and global economies relating to the current Covid19 pandemic serve to exasperate the concerns about the sustainability of funding for the sector and highlights the vulnerabilities of non-government organizations who have a vital	High	High	Continuous monitoring of the economic development. The action through the disbursements will contribute to the economic and fiscal recovery. Continued support to preparedness and prevention (health programmes, COVAX).

	contribution but are without core funding.			
Human Resource / Financial Stability and viability	Implementation capacity of the sector agencies, impact of staff turnover / reduction in funding and negotiations for further support, Financial viability is also a concern for individual agencies (SOE).	High	High	Trainings to be re-conducted for new hires, resulting in lost efficiencies and effectiveness.
Government Ownership / Political	Human rights, democracy, rule of law, insecurity and conflict	Medium	Medium	Continued intensive policy dialogue with decision makers and other stakeholders to develop joint priority reform expectations and form broad reform coalitions that uphold reform pressures and commitments. Continued dialogue with The Ministry of Women Community and Social Development as one of the Key Implementing Agencies of the sector working closely with all Implementing Agencies of the sector as the gatekeeper to communities. Moreover, their ongoing partnership with the Independent Water Schemes had been instrumental in driving IWS developmental work in the relevant schemes and communities
Climate Change, Climate Variability and Disasters	Higher temperatures and more extreme less predictable weather conditions / Increased incidence of flooding threaten to destroy water-points, sanitation facilities, contaminate water sources and exasperate the spread of diseases.	High	High	Ensuring that everyone has access to sustainable water and sanitation services is a critical climate change mitigation strategy for the years. Integrated approach to mainstreaming climate change mitigation and disaster preparedness into the work of all policies.
Macroeconomic	Debt sustainability, vulnerability and exogenous shocks	High	High	Continued policy dialogue between key donors and the government based on the JPAM and Article IV missions. Revenue, public remuneration, and cash and debt management reforms incentivized by the recommendations from the 2020 PEFA Assessment of Climate Responsive Public Financial Management Report.

Public Finance Management	Comprehensiveness of the budget, revenue collection & budget execution, public procurement and investment, external audit	Medium	Medium	Continued policy dialogue between key donors and the government based on the JPAM, coordination of technical assistance. Continued support to strengthen PFM and good governance at regional level (incl. through PFTAC and other development partners)
Developmental Policies	Public policy, government effectiveness, investment climate and business environment	Medium	Medium	Continued policy dialogue between key donors and the government based on the JPAM, coordination of technical assistance. Contribution to the Private Sector Development Initiative implemented by ADB (foreseen under the 11th EDF PRISE programme).
Corruption & Fraud		Medium	Medium	Continued policy and political dialogue to encourage reforms. Press, civil society and development partners to also ensure transparency and accountability for all levels of governance. Monitoring of the foreseen fraud policy & disciplinary regulations. Monitoring and evaluation will be based on disaggregated data.

Lessons Learned:

- 1) Considering Samoa's strong track record in implementing an ambitious and consistent reform agenda in the WASH sectors supported by budget support operations, the mitigation measures are considered as adequate.
- 2) Non-intervention would drastically reduce the credibility of the European Union especially concerning Climate Change.
- 3) The other main assumptions are that the Implementing Authorities have sufficient capacity to facilitate and supervise the implementation of the current plan for the country and that the Government of Samoa remain eligible to EU budget support.
- 4) Despite challenges, the importance of working with other development partners in the Joint Policy Matrix would need to be reinforced for the European Union. It must be fully noted that after the final disbursement and conclusions in 2019 of the 11th EDF BS Programme, the EU was not invited to be part of the Joint Policy Matrix Discussions. Pertaining to the current challenges and the Government's determination to continue with budget support – it must ensure that the EU is included in such missions throughout. This inclusion of the EU will allow for better risk management and dialogue with the Government.
- 5) Sector Reporting at the Annual Review will be important. It has improved significantly over the past years with EU attendance. This platform has paved many positive viability for the European Union. The implementing agencies now reporting against the annual targets (as variable indicators / tranches) as pinned in the Water for Life sector plan will serve as a good basis for policy dialogue.

3.5. The Intervention Logic

The underlying intervention logic for this action is that the action intends to support the implementation of the Water, Sanitation and Hygiene's plan with strategic outcomes such as:

1. Sustainable integrated water resources management from ridge to reef
2. Sustained access to reliable and safe water
3. Strengthened flood mitigation measures
4. Strengthened sector governance, communication and capacity.

The action will strengthen the underlying governance, policy planning and implementation mechanisms, forming a strong basis to support the ambitious objectives of the Government and its efforts to enhance climate adaptation, disaster risk reduction and environmental governance. This is in line with the commitments made under the Paris Agreement, the Sendai Framework for Disaster Risk Reduction 2015-2030 and other Multilateral Environmental Agreements. In addition, the action will support awareness-raising and improved environmental education among all communities, with a focus on enabling young people to become environmentally conscious citizens, as this is deemed essential to ensure support and commitment to these changes at individual and community level. *It is critical that sector processes encourage greater engagement and contribution of women at all levels of decision-making for WASH matters in partnership with Village Women's Committee or similar community – based organisation.*

It is expected that the sector's resilience to climate change and disaster risks will be increased through the establishment of a dedicated Asset Fund and by translating the National Climate Change Policy into sector specific activities. This will be promoted by the action. The sector will also focus on more long term planning, not only in alignment to the new Strategic Development Framework and Samoa 2040 vision but also to ensure that an integrated evidence-based approach is used to develop a National Water Supply (and Sanitation) Master Plan. Critical considerations in the longer term planning are increasing sector resilience to climate change and disasters and having women and people living in vulnerable population needs and rights as priorities in line with the SDG 'leaving no one behind' and 'helping first those who need it most' approach.

The role of ecosystem-based approaches and the promotion of nature-based solutions will be considered and mainstreamed throughout the duration of the action.

3.6. Logical Framework Matrix

BUDGET SUPPORT MODALITY as reflected by the national/sector public policy supported (4 levels of results / indicators / Baselines / Targets / Source of Data - no activities)

Caveat: the indicators used in the LFM refer to the budget support intervention logic. They help monitoring the implementation of the programme in view of its objectives and later evaluate its contribution to country policy's achievements. The list of indicators below should not be understood as the list of indicators informing the disbursement of variable tranches and spelled out in the relevant part of the financing agreement signed with the partner country, although some indicators may be used for both purposes and will be marked accordingly.

Results	Results chain	Indicators (max. 15)	Baselines (year)	Targets by the end of the budget support contract (2025)	Sources of data (1 per indicator)
Indicative Impact of the policy	To enhance environmental sustainability and resilience to climate change and natural disasters and to contribute to the transition to a green economy	1. Cabinet Endorsement of the Water for Life Plan 2. Monitor Progress on the implementation of the overall Water for Life Plan	NA 0	1. December 2021 2. Four (2022 – 2025).	1. Publication of the Water for Life Plan 2. Performance Matrix / Annual Review Report
Expected Outcomes of the policy	Improved access to sustainable, safe and affordable water, sanitation and hygiene services	1. Water Supply - Increase in water supply coverage through SWA network, IWSA schemes and rain water harvesting ¹¹ 2. Water Quality – Strengthened public education and awareness 3. Sanitation, Wastewater, & Hygiene - Enhanced public education and community awareness 4. Flood Mitigation - Strengthened policy and legal framework 5. Sector Governance, Communication and Capacity – Monitoring of the Communication Strategy and the Capability Development Strategy and Plan	1. 0 2. 0 3. 0 4. 0 5. 0	1. three targeted communities 2. four awareness sessions 3. four awareness sessions 4. one policy 5. two reports and two participation at community event	Performance Matrix and Annual Review Report(s)

¹¹ From the Sector plan however these do not form part of the main variable indicators as below.

Induced Outputs	1. Sustained access to reliable and safe water	1.1 The difference between water produced as recorded by bulk meters at the outlet of the Water Treatment Plants of the Samoa Water Authority reticulated schemes (Malololelei, Alaoa and Fuluasou) and the amount of water sold to customers in each of these systems divided by the number of connections in each system.	1.1 1625 litres / connection / day	<ul style="list-style-type: none"> • 1.1 Reduction of water loss by 150 litres / connection / day compared to baseline (FY2021 – 2022) • Reduction of water loss by 150 litres / connection / day compared to baseline (FY2022 – 2023) • Reduction of water loss by 150 litres / connection / day compared to baseline (FY2023 – 2024) • Reduction of water loss by 150 litres / connection / day compared to baseline (FY2024 – 2025) 	1.1 Samoa Water Authority non-revenue data, production and consumption data
	2. Sustainable integrated water resources management from ridge to reef	2.1 Increase in number of water catchment areas (65) in Samoa with watershed management plans developed and implemented	2.1 24 total water catchment areas with watershed management plans developed and implemented	<ul style="list-style-type: none"> • 2.1 2 (FY 2021 – 2022) • 2 (FY 2022 – 2023) • 2 (FY 2023 – 2024) • 2 (FY 2024 – 2025) • (FY2021-2022) - 20 hectares of 	2.1 Water Resources Management / MNRE/ WASH Annual Report

	<p>3. Strengthened sector governance, communication and capacity.</p>	<p>2.2 The total number of hectares of prioritised watershed area rehabilitated and/or declared reserves per year</p> <p>3.1 Improvements in the data capacity of the sector including working with the Samoa Bureau of Statistics</p> <p>3.2 Establishment of the Asset Fund</p>	<p>2.2 412.2 hectares of prioritised watershed area rehabilitated and/or declared reserves</p> <p>3.1 0</p> <p>3.2 0</p> <p>3.3 0</p>	<p>prioritised watershed area rehabilitated and/or declared reserves per year (total 432.2 hectares)</p> <ul style="list-style-type: none"> • (FY2022-2023) 20 hectares of prioritised watershed area rehabilitated and/or declared reserves per year (total 452.2 hectares) • (FY2023- 2024) 20 hectares of prioritised watershed area rehabilitated and/or declared reserves per year (total 472.2 hectares) • (FY2024-2025) 20 hectares of prioritised watershed area rehabilitated and/or declared reserves per year (total 492.2 hectares) <p>3.1 NA</p> <p>3.2 NA</p> <p>3.3 Five targeted vulnerable communities</p>	<p>2.2 Verification data/information to be provided by the Water Resources Division (MNRE)</p> <p>3.1 & 3.3 WASH Reports</p> <p>3.2 Ministry of Finance PFM Report</p>
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	4. Strengthened flood mitigation measures	3.3 Increasing sector resilience to climate change and disasters and having vulnerable populations needs as priorities 4.1 Increase in number of drainage upgrade works within the drainage network	4.1 10 drainage upgrade works	4.1 2 (FY 2021 – 2022) 2 (FY 2022 – 2023) 2 (FY 2023 – 2024) 2 (FY 2024 – 2025)	4.1 Drainage upgrade works completion report and LTA drainage network asset management system information
Direct Outputs	DO1. Additional fiscal space created by the transfer of funds and increased predictability of funds.	1.1 Disbursement level of the BS	1.1 0	1.1 4	1.1. Annual Reviews, Sector Consolidated Performance Indicator Report, Performance Matrix
	DO2. Improved policy performance assessment and monitoring.	2.1 Status of the data in the annual reports submitted to the Annual Water Sector Reviews. 2.2 Status of the progress of the PFM reforms	2.1 0 2.2 0	2.1 4 2.2 4	2.1 Annual Review Report 2.2 Joint Policy reform Action Matrix Aide Memo / Report from the government on the PFM assessment and or progress report from any other Development Partner.
	DO3. Improved policy dialogue and sector coordination.	3.1 No of policy dialogue meetings 3.2 No of Joint Policy Matrix Action Dialogue Meetings 3.3 Annual Development Partner Forum Dialogue	3.1 0 3.2 0 3.3 0	3.1 8 3.2 4 3.3 4	

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Independent State of Samoa.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation of the Budget Support Component

4.3.1. Rationale for the Amounts Allocated to Budget Support

The amount allocated for the budget support component is EUR 13.3 million. This amount is based on:

- the sector's good performance¹² under the previous budget support programmes, its proven track record in achieving the agreed objectives and absorption capacity of past disbursements;
- the last budget support payment was in 2019 and currently there is no ongoing budget support programme in Samoa;
- the projected financing gaps based on the draft sector plan (the sector depends heavily on funding from development partners and in particular, the EU);
- the result-oriented development strategy of Samoa, including having a monitoring system in place for the water sector.

There is no complementary support envisaged under this action.

4.3.2. Criteria for Disbursement of Budget Support

a) Conditions.

The general conditions for disbursement of all tranches are as follows:

- Satisfactory progress in the implementation of the 'Water for Life Policy 2020-2025' and continued credibility and relevance thereof or of the subsequent policy.
- Maintenance of a credible and relevant stability-oriented macroeconomic policy or progress made towards restoring key balances.
- Satisfactory progress in the implementation of reforms to improve public financial management, including domestic revenue mobilisation, and continued relevance and credibility of the reform programme.
- Satisfactory progress with regard to the public availability of accessible, timely, comprehensive, and sound budgetary information.

b) The performance indicators for disbursement for disbursement to be used for variable tranches may focus on the following policy priorities:

- 1) **Non Revenue Water Reduction:** The difference between water produced as recorded by bulk meters at the outlet of the Water Treatment Plants of the Samoa Water Authority reticulated schemes and the amount of water sold to customers in each of these systems divided by the number of connections in each system (data will be collected from the three main urban water schemes: Malololelei, Alaoa and Fulusou);

¹² For all the EU budget support programmes (under the 9th, 10th, 11th EDF) the Government of Samoa has shown a good track record and absorption capacity with all the fixed tranches and the vast majority of the variable tranches (98%) having been disbursed with a total disbursement at 98% of the maximum possible.

- 2) Increase in number of water catchment areas in Samoa with watershed management plans developed and implemented;
- 3) The cumulative total number of hectares of prioritised watershed area rehabilitated and/or declared reserves as compared to the baseline;
- 4) Cumulative number of drainage upgrade works within the drainage network.

c) Modifications.

The chosen performance indicators and targets to be used for the disbursement of variable tranches will apply for the duration of the action. However, in duly justified cases, the partner country and the Commission may agree on changes to indicators or on upward/downward revisions of targets. Such changes shall be authorised in writing ex-ante, at the latest at the beginning of the period under review applicable to the indicators and targets.

In exceptional and/or duly justified cases, for instance where unexpected events, external shocks or changing circumstances have made the indicator or the target irrelevant and could not be anticipated, a variable tranche indicator may be waived. In these cases, the related amount could either be reallocated to the other indicators of the variable tranche the same year or be transferred to the next variable tranche the following year (in accordance with the original weighting of the indicators). It could also be decided to re-assess an indicator the following year against the original target, if there was a positive trend and the authorities did not reach the target because of factors beyond their control. The use of this provision shall be requested by the partner country and approved in writing by the Commission.

d) Fundamental values.

In case of a significant deterioration of fundamental values, budget support disbursements may be suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

4.3.3. Budget Support Details

Budget support is provided as direct untargeted budget support to the national treasury. The crediting of the euro transfers disbursed into Samoan TALA (WST) will be undertaken at the appropriate exchange rates in line with the relevant provisions of the financing agreement.

4.4. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹³.

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Budget support - cf. section 4.3	13 300 000
Evaluation – cf. section 5.2 / Audit – cf. section 5.3	200 000
Totals	13 500 000

4.6. Organisational Set-up and Responsibilities

The Ministry of Natural Resources and Environment is the lead agency responsible for policy guidance, coordination and regulation of all water and sanitation activities, including the oversight to the local governments and other water supply service providers. It is responsible for the implementation of the programme as outlined in the Water for Life 2020-2025 sector plan. The Ministry also leads the water resource management (WRD), waste management systems (DEC) and are the lead agency for disaster preparedness and coordination (DMO), climate change, weather services

¹³ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

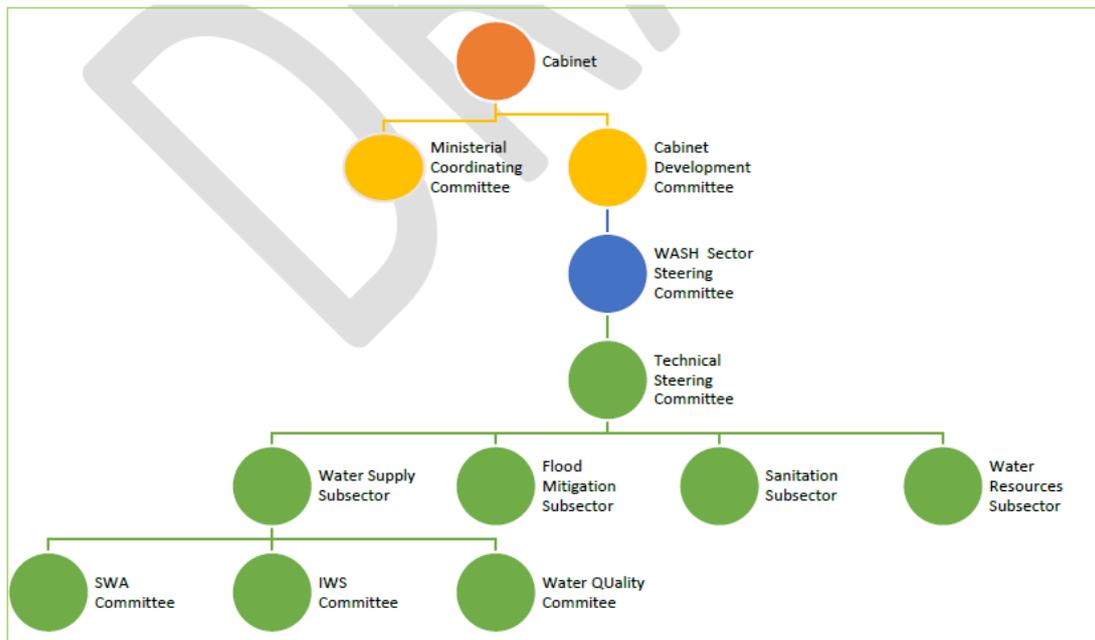
information including rainfall and temperature data (meteorology) and implementation of renewable energy projects and initiatives (RED).

The monitoring by the European Union will be through government-led sector coordination and through government/donor meetings, based on country reports and monitoring and evaluation systems, in line with Aid Effectiveness agenda. Despite the current challenges of the pandemic, the importance of working with other development partners in the Joint Policy Action Matrix Missions should be reinforced. This will allow for better risk management and dialogue with the Government.

A comprehensive institutional and structural framework is in place and it continues to be refined and strengthened with each iteration of the Sector Plan. The Joint Water and Sanitation Sector Steering Committee with its membership being set at CEO level, provides strategic oversight for the Sector through its quarterly meetings. With the evolution of the Water for Life Plan 2020 - 2025, the name of the Committee may be accordingly be aligned to Water, Sanitation and Hygiene Sector Steering Committee for consistency. Reporting to the Water, Sanitation and Hygiene Sector Steering Committee will be the Technical Steering Committee chaired by the Water and Sanitation Sector Coordination Unit. Its role will be:

1. Monitoring the technical and financial progress of the subsector work plan against the performance matrix; and
2. Leading the development and/ or review of Sector policies, plans and strategies.

This Committee consists of coordinators or chairpersons of the six (6) subsector committees, as depicted in figure below. These subsector committees facilitate and coordinate the implementation of subsector programme activities by different agencies, and contribute to policy development and review work. The committees meet on a (bi-) monthly basis and report progress to the Technical Steering Committee.



As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

Gender equality, human rights and human rights-based approach expertise will be ensured during the implementation of the Action as possible. They will also be integrated in relevant technical assistance and capacity building activities and documents (i.e. ToRs etc) as minimum requirements of expertise.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the

action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

Under the responsibility of the Ministry of Natural Resources and Environment, the sector undertakes annual monitoring during the Annual Sector Review Forum, usually in November/December. It brings together all stakeholders, community and beneficiary groups' representatives, development partners with the implementing agencies to review the Sector's progress. The aim is to acknowledge the achievements, reaffirm or sails adjustment for remaining works, drawing on lessons learnt and responding to emerging challenges.

Apart from the main public agency working in the water sector, the Samoa Water Authority, other key stakeholders include the Ministry of Health, Ministry of Works, Transport and Infrastructure, Ministry of Women, Community and Social Development, Land Transport Authority, Samoa Tourism Authority, Independent Water Schemes Association, Samoa Red Cross Society and the Plumbers Association of Samoa. Valuable resources for design, construction, operation and maintenance of water and sanitation facilities and conducting of trainings, capacity-building initiatives is mobilised from the private sector.

Monitoring and evaluation will assess gender equality results and the implementation of the rights based approach working principles (applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data). Monitoring and evaluation will be based on indicators that are disaggregated by sex, age and disability when applicable. Disaggregated data collection will be supported through the action.

The statistical and monitoring systems as well as the quality of official data in the policy field covered have been assessed. This assessment has fed into the design of the action as follows:

- Sector Framework for Coordinating Implementation: The Water, Sanitation, Hygiene sector has an established and matured framework for coordinating the planning, implementation and monitoring of its sector core responsibilities and development program. The high level Ministerial Coordination Committee (MCC) was established in the last sector plan (2016-2020) to enhance the engagement of political leaders to be strong advocates for the sector issues.

5.2. Evaluation

Having regard to the importance of the action, a mid-term and a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

Mid-term evaluation will be carried out for learning purposes, in particular with respect to the support incentivised by this action and the intention to launch a second phase of the action with the possibility of foreseeing investments within the sector.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact of continuation of the budget support within the sector, the history of support provided by the EU to the sector, etc.

The evaluation of this action may be performed individually or through a joint strategic evaluation of budget support operations carried out with the partner country, other budget support providers and relevant stakeholders.

The Commission shall inform the implementing partner at least a month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination¹⁴. The implementing partner and the Commission shall analyse the conclusions and

¹⁴ See best [practice of evaluation dissemination](#)

recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

Audit services may be contracted under a framework contract.

6. STRATEGIC COMMUNICATION AND PUBLIC COMMUNICATION

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.