

**Pacific High-level Policy Dialogue on
“The Role of Macroeconomic Policy and Energy Security in supporting
Sustainable Development in the Pacific”**

8-9 October 2012, Nadi, Fiji

**Jointly organized by
UN ESCAP and Sustainable Development Working Group of the Council of Regional
Organizations in the Pacific (CROP)**

**Session 1 – Stimulating and Sustaining Growth, Building Resilience: the
Role of Macroeconomic Policies**

Samoa’s Experiences from the Global Economic Crisis

by

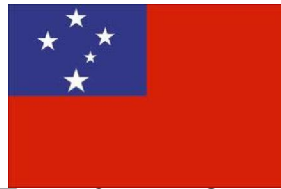
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October 2012



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Stimulating and Sustaining Growth and Building Resilience



*Samoa's Experiences from the Global
Economic Crisis*



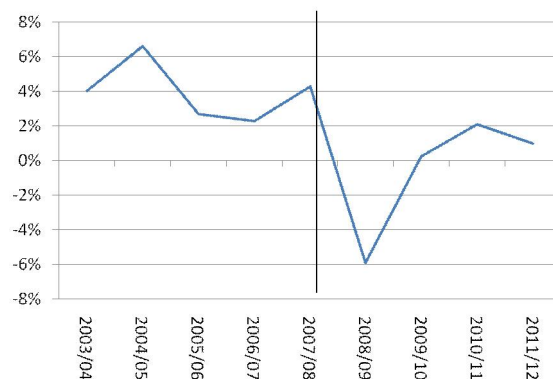
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The Global Economic Crisis



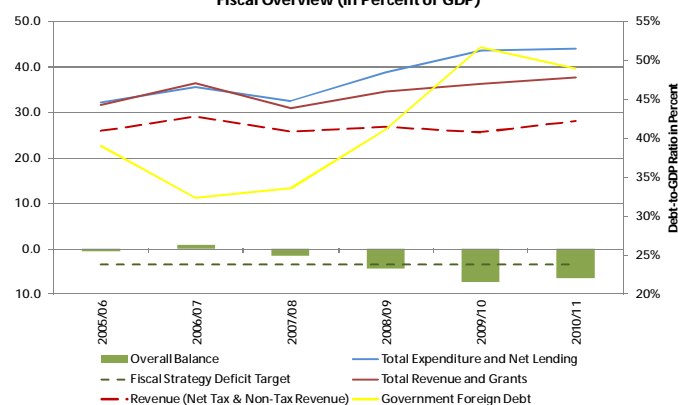
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Real GDP Growth



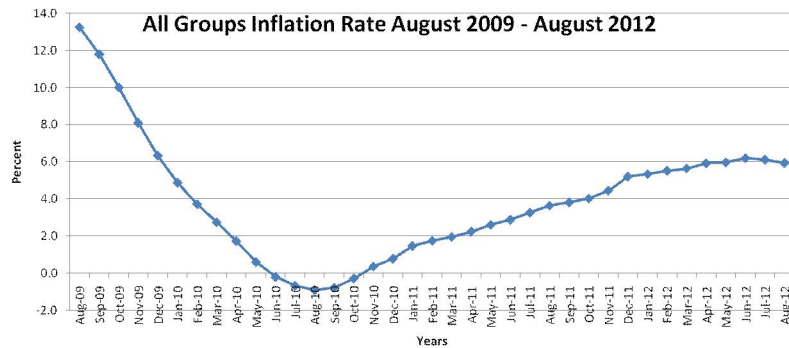
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Fiscal Overview (in Percent of GDP)

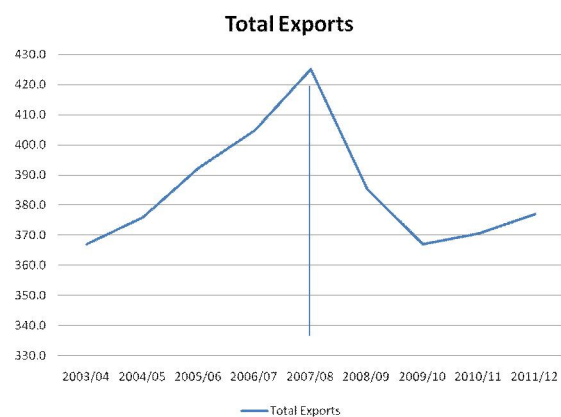




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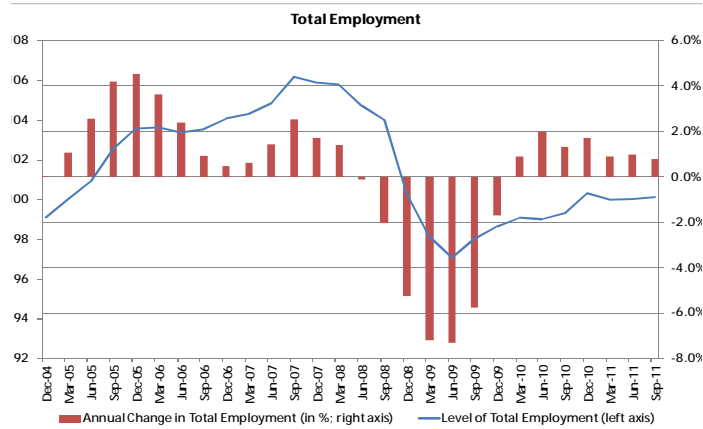


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Government Policy Initiatives



Key Priority Areas

1. Fiscal Targets
2. Monetary Policy
3. Sound External Position



Fiscal Targets:

- Budget balance within the range of ± 3.5 ;
- Aggregate current expenditure within 35 – 38% of GDP;
- Net Public Debt outstanding <50% of GDP;
- Personnel costs 40 – 41% of Total Govt Exp;



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Key Strategies

"Development of a relevant, effective and sustainable fiscal position"

- Improve budget performance and processes;
- Strengthen debt management and financing;
- Improve accounting and reporting processes;
- Improve data and statistics access;
- Enhance procurement processes;
- Improve human resource capacity;
- Enhance public financial systems;
- Strengthen revenue collection;
- Strengthen monitoring of SOEs;
- Strengthen auditing processes;
- Improve planning and performance monitoring.



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Monetary Policy:

- Underlying inflation between 3.0 – 4.0% per annum;
- Maintain import cover at 4.0 – 6.0 months;
- Maintain real competitive exchange rate;
- Improve enabling environment for access credit of the private sector;



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Key Strategies

“Development of relevant, effective and sustainable financial institutions and supportive monetary policies”

- Maintain price stability and low inflation;
- Strengthen monetary policy implementation;
- Improve financial system supervision.



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- **Sound External Position:**
- Improve External Position;
- Maintain sufficient level of international reserves;
- Promote investment of remittances;
- Increase Foreign Direct Investments;
- Establish “Safety Net” type insurance facilities against external shocks and natural disasters;



Key Strategies

“Development of relevant and effective institutional and policy framework for maintaining a competitive and stable position in international trade and policy options”

- Strengthen international trade and policy options;
- Improve country risk rating;
- Develop access to capital markets;
- Establish pre-requisites for an international stock exchange;
- Strengthen access to emergency financing facilities;
- Strengthen access to international commercial banks.



National Development Plan

Strategy for the Development of Samoa 2012 - 2016

Economic Sectors	1. Macroeconomic Stability
	2. Re-invigorate Agriculture
	3. Revitalize Exports
	4. Sustainable Tourism
	5. Enabling Environment for Business Development
Social Sectors	6. A Healthy Samoa
	7. Improved focus on Access to Education, Training and Learning Outcomes
	8. Social Cohesion
Infrastructure Sectors	9. Sustainable Access to Safe Drinking Water and Basic Sanitation
	10. Efficient, Safe and Sustainable Transport Systems and networks
	11. Universal Access to Reliable and Affordable ICT Services
	12. Sustainable Energy Supply
The Environment	13. Environmental Sustainability
	14. Climate and Disaster Resilience



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Thank you for your attention