



Ministry of Commerce, Industry and Labour
Matagaluega o Pisinisi, Alamanuia ma Leipa



MCIL's Policy Initiatives for Supporting the Development of Micro, Small & Medium Enterprises (MSMEs) in Samoa

UNESCAP: "CATALYZING WOMEN'S ENTREPRENEURSHIP"
SAMOA NATIONAL CONSULTATION AND LAUNCH
30-JULY-2019

KEY FUNCTIONS

- ❑ **Commerce** – development of the private sector and promote investment
- ❑ **Industry** – encourage industry productivity and fair trade, and ensure a healthy and competitive market
- ❑ **Labour** – create employment opportunities for the local workforce both locally and internationally and a healthy and safe environment for employees and employers.



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STRATEGIC POLICY FRAMEWORK

- Strategy for the Development of Samoa (2016/17-2019/20)
 - Vision – “Accelerating sustainable development and broadening opportunities for all”
 - Specific Key Outcomes:
 - Key Outcome 3 – Export Products Increased
 - Key Outcome 5 – Participation of Private Sector in Development Enhanced
- Trade, Commerce & Manufacturing Sector Plan (2017/18-2020/21)
 - Vision – “Sustainable Trade, Commerce and Manufacturing for enhanced growth and development”
 - Outcomes:
 - Pillar 1 – Improve industrial supply and productivity
 - Pillar 2 – Increase processing activities and value-addition
 - Pillar 3 – Enhance market access and visibility for Samoan goods and services
 - Pillar 4 – Strengthen sector coordination, planning and support
 - Action Point 4.1.2: ***“Promote the development of MSMEs and implement macroeconomic policies and practices consistent with Samoa’s objective of increasing exports and enhancing competitiveness”.***
- MCIL’s Corporate Plan (2016/2017-2019/2020)
 - MCIL’s Vision – “a leader in promoting an enabling environment for diverse business innovation and employment in Samoa”

SAMOA'S MSME POLICY FRAMEWORK

- MSMEs Policy vacuum i.e. Samoa currently does not have an established, cohesive Policy for development of MSMEs.
- No standard definition for MSME.
- Draft MSME Strategy Paper/Draft MSME Policy was developed in 2010 by Commonwealth Secretariat funded Consultants.
- CommSec study identified 10 major constraints for MSMEs which included:
 - Difficult or limited access to financial services, especially credit and financial literacy;
 - Lack of management capacity, business know-how and specialised/skilled employees;
 - Lack of adequate capital invested or reinvested in the business;
 - Inequity in the allocation of infrastructure and fiscal incentives to small businesses compared to large and foreign businesses, and
 - Discrimination and deficiencies in the legislative climate against MSMEs.
- Above challenges are of greater significance for women entrepreneurs in Samoa due to additional social and cultural constraints.

MSMEs POLICY FRAMEWORK: NEW DEVELOPMENTS

- NZMFAT Funded Private Sector Development Program (PSDP) for Samoa:
 - Component 1: Enabling Support for Private Sector Development (PSD) - \$400,000 over 5 years. Fund Technical Assistance for enhancing the Policy, Regulatory & Institutional Framework for PSD in Samoa.
 - MCIL – main implementing partner for Component 1, responsible for data collection and reporting.
 - TA currently being recruited for developing an MSME Policy for Samoa aimed at enhancing and improving the development, growth, sustainability and global competitiveness of Samoa’s MSMEs.
 - Key components of the development and implementation of the new MSMEs Policy will include a:
 1. Monitoring Evaluation Research & Learning (MERL) Framework and
 2. Gender and Social Inclusion (GESI) Framework – MCIL’s commitment to ensuring that GESI issues will be considered and addressed as part of its policy development agenda

MSMEs POLICY: WORK SCOPE

- Scope of Work for Consultant includes:
 - Undertaking a thorough review of the current regulatory environment, fiscal/financial incentives, entrepreneurial culture, access to finance and support programs (funded by Govt, donors or others) for MSMEs in Samoa
 - Identify particular barriers faced by Women entrepreneurs, Youth and other vulnerable groups and specific policy measures that will enable Women, Youth and other Vulnerable groups to set up and manage thriving MSMEs, including policies relating to access to finance, business training and other forms of support.
 - Consider the need for developing a legislation to establish a regulatory framework and official definition of Micro, Small and Medium Sized Enterprises.
 - Incorporate aspects of MERL and GESI into the MSME Policy.

PROGRAMMES & ASSISTANCE TO BOOST MSMEs & WOMEN ENTREPRENEURS

- **Enhanced Integrated Framework (Trade Sector Support Programme)**
 - Processing warehouses at WIBDI and STEC
 - Machines and equipment with SROS for research, development and production
- **Government Assistances:**
 - Duty Concession Scheme: Tourism, Manufacturing and Transport Aviation Development Projects
 - Code 121 Scheme: Commercial Manufacturers of Agricultural Products, Handicrafts and Eiei Materials and Commercial Poultry Farms.
 - Private Sector Organisations Grant
 - Personal Properties Securities Register
 - Support Programs by SBC.
 - Special Category for Best Woman Exporter for the Samoa National Exports Awards.
 - Labour Employment Export Programme (LEEP): 150 female beneficiaries for NZ RSE for FY2017/2018 resulting in total female beneficiaries of 350.
 - Increased number of females registered in MCIL's Job Seekers Program.
- **Enabling Business Environment Policies including:**
 - Trade, Commerce & Manufacturing Sector Plan
 - Standards to meet market requirements
 - Competition & Consumer Protection
 - Intellectual Property Protection.
 - Tariff Structure Review
 - MSMEs Policy Project in progress



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