

1st Annual Joint Water Sector Review

Date: 28 October, 2008
Time: 09.00-17.00
Venue: DBS Building, level 6
Place: Apia, Samoa

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Review objectives

The main objectives of the first joint review of the Samoan water sector are to:

1. Review recent achievements
2. Review policy and operational issues, and adjust the sector program as needed
3. Review and agree on next year's program, including the activities to be financed, expenditure plan, procurement plan (method and sources of funding), the resources each participant will contribute, and the performance indicators and annual targets
4. Agree on the harmonization action plan
5. Agree on the establishment of annual joint reviews

Tentative Programme

Time	What	Who	Agency
09.00	Welcome, objectives, programme	Hinauri/Noumea	MOF
09.10	Recent sector achievements	Nadia Meredith- WSMU	MOF
09.30	Ongoing projects objectives and progress	Nadia – WaSSP Kisa – SSDP Yvette – IWRM Lameko – HYCOS Kassandra – WQMP	MOF KEW Consult MNRE MNRE MOH
10.30	Morning tea		
10.45	International Partners (Water and Country Strategies)	Thomas Opperer – EU Stephen Blaik - ADB	EU, ADB, WHO, others
11.15	Policy and operational issues	Tagaloa Jude Kohlhase – PUMA	MNRE
11.30	Discussion	Seumanutafa Malaki Iakopo- Chairperson	JWSSC
12.30	Lunch		
13.30	Water for Life sector plan: priorities and financing	Noumea Simi – Aid/Debt Management	MOF
13.45	Water for Life sector plan: monitoring (indicators and targets)	Nadia Meredith – WSMU	MOF
14.30	Harmonization achievements and action plan	Noumea Simi – Aid/Debt Management	MOF
15.00	Afternoon tea		
15.15	Discussion	Seumanutafa Malaki Iakopo- Chairperson	JWSSC
16.35	International Partners response		EU/ADB
16.45	Conclusions and follow-up	Seumanutafa Malaki Iakopo - Chairperson	JWSSC
17.00	Cocktails		

List of participating organisations

National stakeholders

MNRE
MOH
MWCSO
MWTI
SWA
EPC
MESC
MAF
MOF
IWSA
SUNGO
Chamber
JWSSC
NUS
USP

Local consulting companies

KEW
OSM
IPA
TGI

Local Contractors

Bluebird/Ahlal

International stakeholders

EU
ADB
WHO
UNDP
UNEP
NZ AID
AUSAID
UNESCO
WB
GEF
FAO
JICA
SOPAC
SPREP

Int'l Consulting companies (resident experts)

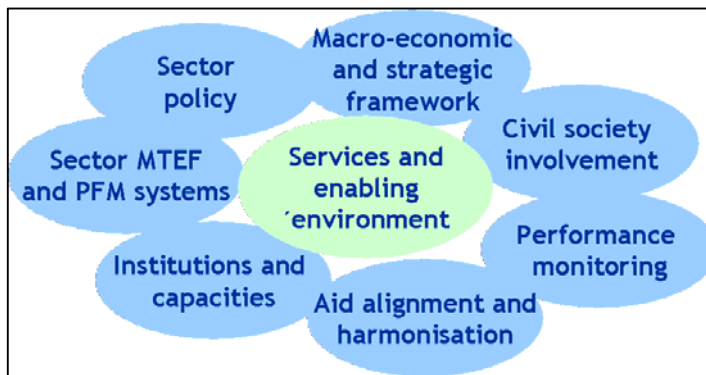
GHD
DHV
MWH
Hydro R&D

Int'l Contractors (resident experts)

Farmex Technologies
Infrastructure Constructions
Robert Stone-Tenix

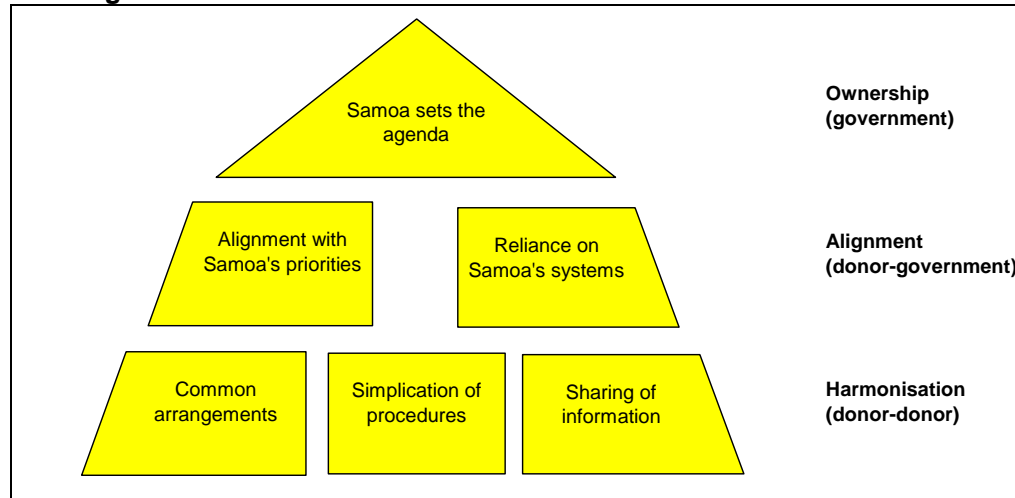
Introduction to Sector Wide Approach

A Sector Wide Approach (SWAp) is a method of working between Government and donors and an approach in which all significant funding for the sector supports a single sector policy, strategy and expenditure plan (MTEF) under Government leadership, adopting common approaches across the sector, and progressing towards relying on Government procedures to disburse and account for all funds. Aid alignment and harmonization is one of the seven crucial elements of a sector programme.



In the 2005 Paris Declaration on aid effectiveness, donors and partner countries have committed themselves to implement good practice principles and practices in aid delivery and management, to use harmonized processes, procedures and requirements, and to align donor programmes with country priorities and improved systems. The overarching goal for achieving increased aid effectiveness is to increase national ownership of development processes and to reduce transaction costs of development cooperation for the recipient government. Harmonization and alignment are conceptualized as important building blocks towards this end.

Building blocks for aid effectiveness



Harmonization is the first necessary building block and refers to increased coordination between, and the streamlining of, aid agencies such that transaction costs are reduced for partner governments. As a matter of course, harmonization can not take place unless there is already effective donor coordination in place. Harmonization includes sharing of information, working towards the simplification of procedures, reducing the number of donor missions and creating common arrangements for designing, managing and implementing aid.

Alignment is the second building block and refers to actions between donors and governments that aim to increase national ownership of the development processes. Alignment stands for donors providing assistance that accord with and support partner government national and sector development strategies and relies on partner government systems and procedures for aid management. Donors base all their assistance on strategies, institutions and national development procedures on those of the partner countries.

Ownership, the third building block for aid effectiveness refers to actions taken at the national/sectoral level by the government, legitimized by parliamentarians and citizens that assist progress towards development and poverty reduction. Partner countries are to exercise an effective authority over their policies, strategies and coordinated development efforts. For partners, this means establishing solid policies, policy tools and processes.

Recent sector achievements

1. National achievements supporting the water sector development

A number of major milestones were achieved during the last year to help create an enabling environment for the national development, and thereby also positively impacting on the development of the water sector. The most important ones include:

- The approval of the Samoa Development Strategy 2008-2012
- The introduction of 3-year forward planning in government planning and budgeting

The SDS 2008-2012 pays special attention to the development of the water sector in each of its 3 main priority areas, notably in economic policies regarding water and sanitation services and energy (hydropower), in social policies regarding health and community development, and in public sector management and environmental sustainability regarding the development of the country's water resources.

2. Water sector specific achievements

During last year, specific developments in the water sector have taken place in the relations with Samoa's international financing agencies, in the legal and regulatory framework, in the institutional set-up and in terms of capacity building and infrastructure development.

a) International partner relations

Agreement with EU to move toward sector budget support (10th EDF)
1st Joint Water Sector Review

b) Legal/Regulatory achievements

Approved documents:

Water for Life: Framework for Action 2008-2012
Water Resources Act 2008
Water Resources Management Strategy 2007-2017

Draft documents:

National Drinking Water Quality Standards 2008
Draft Health Bill 2008
Waste Management Bill 2008
Samoa Water Authority (Sewerage and Wastewater) Regulations 2008
Trade Waste Policy 2008

c) Institutional achievements

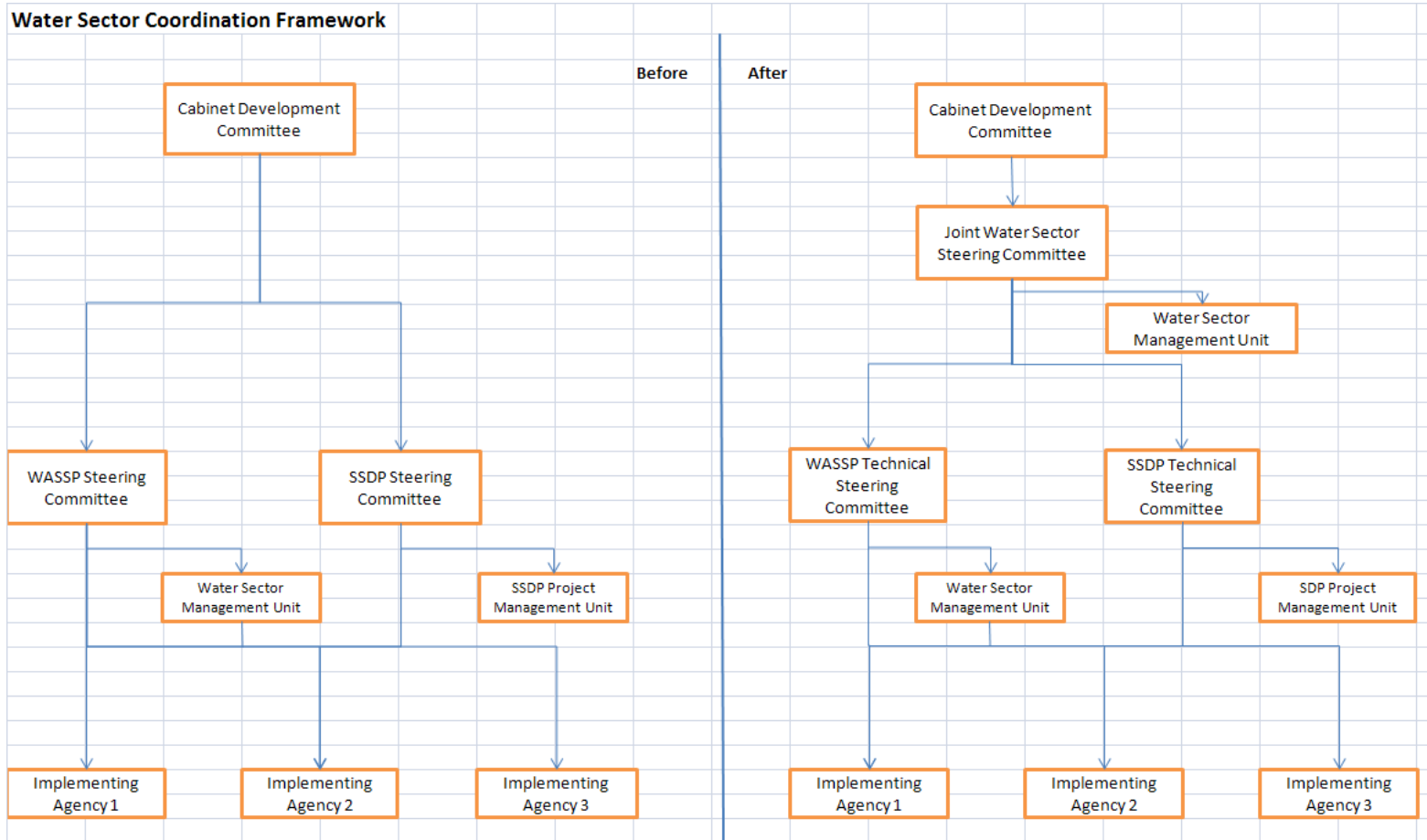
Establishment of Water Resources Division in MNRE
 Establishment of Water Quality Unit in MOH
 Establishment of Independent Water Schemes Association
 Establishment of water sector coordination framework (see figure on next page)

d) Infrastructure works and capacity building

Several developments are currently being implemented in terms of capacity building and infrastructure development in all of the four sub-sectors of the water sector. The most important initiatives are presented by project and funding agency in the table below. For more detailed information on these projects, see the next sections.

PROJECT	FUNDING	Sector Orientation	Water Resources	Water Use	Waste Water
WASSP	EU	X	X	X	X
SSDP	ADB				X
IWRM	GEF/SOPAC		X		
IWRM PP	EU/SOPAC	X			
HYCOS	EU/SOPAC		X		
WQMP	NZAID/SOPAC	X	X	X	

Water Sector Management Unit



Ongoing projects, objectives and results

Policy and operational issues

1. Permanent Institutional arrangements for the water sector

There is not yet a permanent approved institutional structure for the oversight and management of the water sector. The Joint Water Sector Steering Committee (JWSSC) is evolving into an effective forum to provide overall policy guidance and leadership for the sector. This Committee reports to the Cabinet Development Committee (CDC) for formal approval of new policies and projects. Below the JWSSC institutional structures have been developed mainly to serve particular projects and will need to be adapted to a sector orientation. Over the coming year it is proposed to develop harmonised institutional arrangements to improve coordination and management in the sector with the following options currently under consideration:

- Confirmation of the JWSSC as a permanent Committee to provide overall leadership, policy guidance and monitoring for the Water Sector.
- Transformation of the Water Sector Management Unit (WSMU) into a permanent unit to provide secretarial support and management capacity to JWSSC for coordination, reporting and monitoring of the sector. This requires agreement on a suitable location for WSMU with two options currently under consideration: Ministry of Natural Resources and the Environment or Ministry of Finance.
- Further dialogue is required on appropriate structures below the level of the JWSSC. One option would be to establish a single Technical Steering Committee (TSC) chaired by WSMU for detailed coordination and technical monitoring of development activities in the Water Sector. The TSC could then report policy issues and major problems/constraints to the JWSSC for consideration as appropriate.
- Working Groups have been successful in promoting cross-agency coordination and action. It is therefore being considered to combine WASSP Working Groups and Project Steering Committees into a number of Water Sector Working Groups as appropriate to meet the needs of the sector, which may change over time. In the immediate future these may include the following:
 - Samoa Water Authority
 - Independent Water Schemes
 - Water safety monitoring
 - Water resource management and environmental monitoring
 - Sanitation and waste water management

The stakeholders in the water recognise that water resources, sanitation and the environment are closely inter-related and require cross-agency working groups to design and implement integrated development initiatives. We also require the understanding of development partners to support this process and design projects with institutional arrangements which conform to sector structures, rather than creating new parallel structures.

2. Water Service Policy

JWSSC is planning to update the water services policy in Samoa to deal with a number of shortcomings. There is currently no mandated Ministry for water service policy issues and a concern

that SWA, as an implementing agency involved in water services delivery, should not take the lead role in policy decisions. In addition, the current policy and legal framework does not recognise the existence or contribution of independent water schemes for water supply services in Samoa. In the past year 23 Independent Water Schemes, which provide approximately 15% of the population with water, have formed themselves into an association (IWSA) in order to represent their interests in dialogue with the Government and other partners. The Water Sector Support Programme has supported IWSA by providing training to its members on improved management and maintenance and has recently signed a contract for provision of technical support to review designs and recommend priorities for upgrading system components. The SWA network has expanded rapidly in recent years and it has limited capacity for further expansion to manage new systems at this stage. WASSP is providing financing for an expert review of the water services policy and of the structure and capacity of the key institutions involved in water supply deliver in order to advise Government on appropriate adjustments to the existing policy and legal framework. It is expected that this review will lead to adjustments in the existing policy and legal framework within the coming year.

3. Sanitation and Waste Water Policy

Whilst there are a number of ongoing initiatives to improve sanitation and waste water management in Samoa, the Government has yet to develop a national sanitation policy with clearly designated institutions responsible for implementation. There is concern that septic tanks are not properly constructed allowing the seepage of waste water into the environment and there are currently no systems in place for proper waste water or sludge treatment and disposal. In addition, there is no support to poor households to construct hygienic sanitation and waste water systems. The Ministry of Natural Resources and the Environment has agreed to take the lead in consultations and drafting of a National Sanitation Policy. The main challenges in defining this include the following:

- Selection of appropriate technologies which are affordable, socially acceptable and environmentally sustainable
- Developing a package of regulations, monitoring mechanisms, incentives and subsidies to influence the sanitation systems of private households.
- Strengthening awareness of the damaging impacts of poor sanitation systems and waste water disposal on the environment and public health and improving the monitoring of these impacts.
- Division of responsibilities and coordination mechanisms between implementing agencies

A draft sanitation policy will be developed over the coming 6 months. It is planned to follow up with preparation of a national master plan for implementation of the policy using technical support as required.

4. Sector Performance Monitoring System and Sharing Data

If we are to monitor progress in the sector we require a system for measuring performance in achieving the objectives that have been agreed. The various actors in this system will need to be committed to providing accurate and timely data for the selected indicators. It is only by measuring our performance that we can identify where we are being successful and areas which require more effort or a change of strategy. A number of key indicators have been identified and in most cases baseline data is now available. However, it is essential that efforts are made over

the coming months to operationalise this system and strengthen the quality of the indicators and the verification of data wherever possible. There must also be greater openness and willingness to share data for the common good of the sector.

5. Water Safety issues

Whilst good progress has been made in developing National Drinking Water Quality Standards, which are expected to be formally adopted in the coming quarter, serious challenges still remain to ensure that the population is provided with safe water. The water quality monitoring by the Ministry of Health since June 2008 indicates that none of the independent water schemes tested to date are able to meet the standard, with, in some cases, serious health concerns. There are also some problems with SWA water quality. The Ministry of Health and related agencies will need to develop greater awareness of the risks of poor quality water supply and provide constructive advice and support to improve water safety. MNRE and MoH need to work together to investigate the source(s) of contamination in the independent water schemes in line with the source to tap concept for water quality monitoring, which has been adopted by the sector..

6. SWA capacity

The services provided by the Samoan Water Authority (SWA) have been expanding rapidly in recent years with substantial investments in improved water supply systems throughout the country and the introduction of the first central sewer and waste water system in Apia. Most customers, particularly in the Apia area are now expecting higher quality services with 24 hour water safe water supply at an appropriate pressure. SWA is facing serious constraints in providing the required services as a result of rapid expansion and the relatively low tariff. If the investments in infrastructure are to be sustained it is necessary to strengthen the capacity of SWA in improved operation and maintenance systems based on international best practice using information technology to maintain an update register of assets, customers and network components linked to GIS for ease of geographic location. This can only be achieved if the revenue base of SWA is increased.

The proposal for the new raised water tariff has been approved by the SWA Board and subsequently has been submitted to Cabinet for approval. The Tariff proposal is expected to be presented to Cabinet for approval on the last week of October 2008. This increase in tariff rates is also important in order to reduce the high levels of water consumption. However, it must be recognised that metering and payment for water is a relatively recent development in Samoa and it takes time to adjust attitudes. Acceptance of this change is likely to be slower in rural areas where improved services provided by SWA are now being introduced. SWA will need to strengthen its dialogue with communities and new customers so that there is greater awareness of the cost and benefits of the services they will receive and acceptance of their contribution to this development. The introduction of new financial billing software is planned from November 2008. This should be carefully monitored to check that it meets the expectations of the organisation and is properly managed. It is also critical that SWA continues in its efforts to introduce systematic monitoring/metering of the supply network to limit water losses/leakages and improve efficiency. SWA is aware of these challenges and must develop a strategy to strengthen capacity in the critical areas identified.

7. Water Resources Management

One of the important achievements of the water sector has been the establishment of a new Water Resources Division in MNRE, which is mandated with responsibility for water resource management. They have made significant progress in development a management strategy and preparing a new Water Resources Bill, which was passed by Parliament this month (October 2008). There are many challenges ahead for this Division including:

- the implementation of water resource monitoring systems with regular data collection and analysis;
- design of regulations and implementation of a water licensing system;
- design and implementation of watershed management plans; and,
- preparation of environmental standards for water quality

WRD should consider the future technical and capacity building support that they will need beyond the current programmes to achieve these objectives.

Water for Life sector plan: priorities and financing

A draft Medium Term Expenditure framework was developed in the reporting period and is currently proposed for review and to be aligned with the current national initiative for forwarding planning under the local budget.

During the preparation of the MTEF it was noted that funds allocated by the Government to finance various water and sanitation sector activities through different agencies were not coordinated and prioritised towards sector targets. A clear picture of the resource flow to the water sector is still not yet available although as noted with current project initiatives sector funding increased considerably over the last years, mainly from foreign resources. However, at this stage there is no detailed prioritisation for utilizing the available resources by allocation to sub-sectors and individual projects.

In the short term, major new investments in the water sector for the planning period 2009-14 are in particular expected in:

- Wastewater through sanitation and drainage in Apia and rural sanitation
- Water supply through
 - Rural water supply through Samoa Water Authority and/or the Independent Water Schemes Association, depending on the review of the water services policy.
 - Urban water treatment and distribution network,
- Hydropower, funding has been secured via the energy sector and will be developed in parallel to the water sector developments.

In much smaller absolute terms, new investments are also necessary in water resources for the establishment of a water measuring network, introduction of water allocation system, improvement of watershed management as well as in sector orientation for the review, and formulation of water related policies and legislation. No new investments are yet foreseen in the water use sub-sector of irrigation.

However, it is clear that infrastructure alone will not transform the sector and initial implementation costs will include costs for continued institutional strengthening, improving the enabling environment as well as upgrading infrastructure systems, and these costs will be significant in the early stages.

The table hereunder indicates the categories which have been identified as potential priorities for the sector in five year periods for the next 20 years. Detailed cost assessment per sub-sector is currently planned for the first half of 2009, and will include conducting master plans for each of the identified sub-sectors/institutions.

These sub-sectoral master-plans will then be consolidated in the second half of 2009 into an overall Water Sector Investment Plan for the sector over the next 20 years.

Water Sector Investment plan (2009/10-2030)

2009/01 Master planning (sub-sectoral/institutional)

2009/02 Water sector investment plan

1. Investment volumes and timing /Recurrent budget and revenue generation

				INV	2009-2014	2015-2019	2020-2024	2025-2029	REC	REV
WATER USE	WATER SUPPLY	SWA	WATER TREATMENT	+++	x	x			+	
			DISTRIBUTION/UFW	+++++	x	x	x	x	+++	+++
	IWSA	WATER TREATMENT	++	x	x				+	
		DISTRIBUTION/UFW	+++	x	x	x	x		+	+
	HYDROPOWER			++++	x	x			+	++++
	IRRIGATION			+		x				+
ENVIRONMENTAL FLOWS			+	x					+	
WASTEWATER	ON-SITE	SEPTIC TANKS	PUBLIC	+	x				+	
			PRIVATE	++	x	x	x	x	+	
	OFF-SITE	SEWERAGE SYSTEM		+	x				+	+
		WASTEWATER TREATMENT		+	x				+	+
		SLUDGE DISPOSAL		+	x				+	
DRAINAGE			+++	x	x			+		
WATER RESOURCES	QUALITY	MOH	+	x					++	
		SWA	+	x				+		
		MNRE	+	x				+		
	QUANTITY	ASSESSMENT/MONITORING		++	x				+	+
WATERSHED			+	x	x			+		
SECTOR ORIENTATION	CAPACITY BUILDING			++	x	x			+	
	INSTITUTION DEVELOPMENT (JWSSC/WSMU)			+	x				+	

2. Masterplan preparation (sub-sectoral/institutional)

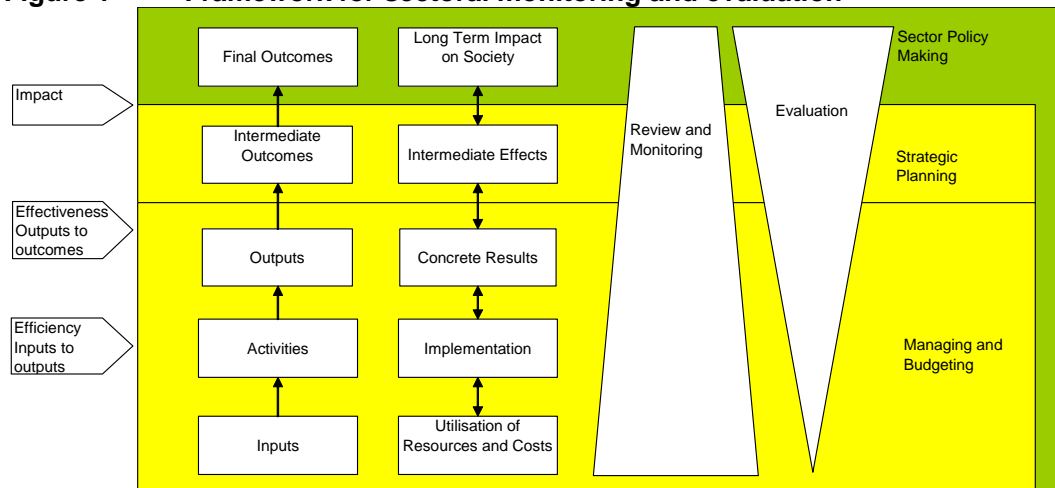
Organisation	Water use				Wastewater			Water Resources			Orientation	
	WS	Hydro	Irrigation	Env.flow	On-site	Off-site	Drainage	Quality	Quantity	Watershed	Capacity	Inst.Dev.
MNRE				X				X	X	X	X	X
MOH								X			X	
MWTI							X				X	
MAF			X								X	
SWA	X					X		X			X	
EPC		X									X	
IWSA	X										X	

Water for Life sector plan: monitoring (indicators and targets)

The proposed monitoring framework has been developed and is currently being finalized. During formulation it was noted that monitoring and evaluation of sectoral and sub-sectoral indicators is essential to review the progress in implementation of the sector plan.

The tentative overall framework for sector performance assessment is graphically represented in the figure below. Monitoring and evaluating the implementation performance of a sector policy is done mainly through assessing and measuring final outcomes and long-term impacts on society. Monitoring and evaluation of strategic planning, having a shorter time horizon than sector policy making, focuses more on intermediate outcomes and effects, as a measure of effectiveness and, whenever possible also on impacts. Performance monitoring tools for shorter periods (e.g. related to annual budget cycles) focus mostly on outputs, activities and inputs, which can be used as measures of efficiency, and if possible also of effectiveness.

Figure 1 Framework for sectoral monitoring and evaluation



In terms of implementing the Sector Performance Monitoring System (SPMS), it is agreed that the SPMS be gradually expanded and to start with only a limited number of indicators and targets to allow for both medium term and short term monitoring.

For this purpose, the following indicators at the sub-sectoral level have been identified together with baseline data starting from 2008 and proposed targets for each over the next four (4) years. In addition, table 2 below highlights the set of key milestones up to June 2010 that have been identified and agreed with the key stakeholders. A more detailed and elaborate list of indicators and targets for each of the water sector organisations is attached to this document.

Water Sector Measurable Performance Indicators						
Type of indicator	Description	Base line - 2008	Target - June 2009	Jun-10	Jun-11	Jun-12
WATER SUPPLY SERVICES - SWA						
1 Outcome	Percentage increase in recovery of revenue from domestic customers billed in the financial year - calculated in July of each year from the SWA financial management system	60%	65%	70%	75%	80%
2 Outcome	Number of households receiving metred and treated water from SWA - measured in July of each year (Taken from SWA financial management system)	14,490	14,940	15,390	16,590	17,560
3 Outcome	Reduction in the percentage of unaccounted for water - the difference between the amount of treated and borehole water produced by SWA measured at the source compared to the volume charged to metred customers (for one year to end June)	60%	55%	50%	45%	40%
4 Impact	% of water tests by Ministry of Health at user/household level under SWA complying with WHO Standards (tests at SWA endpoints at least once every two months freq)*	79%	82%	85%	88%	91%
5 Impact	Percentage of customers indicating that they are satisfied or very satisfied with the service provided by SWA based on an annual survey by an independent consultant in July each year**	56%	55%	60%	63%	65%
WATER SUPPLY SERVICES - IWS						
6 Outcome	Percentage of Independent water schemes collecting adequate fees (at least 10 Tala per household per month) on a regular basis and placing in joint signature account for water scheme. Information to be collected from annual IWSA surveys	9% (2)	20% (5)	45% (10)	68% (15)	90% (20)
7 Impact	% of water tests by Ministry of Health at user/household level under independent water schemes complying with WHO Standards (for ecoli) (tests at IWS sites at least X2 sampling freq per year)*	0%	5%	15%	25%	35%
SANITATION/ WASTE WATER TREATMENT						
8 Output	Number of primary schools and hospitals with acceptable level of sanitation facilities (baseline from IPA and MoE information - definition required for acceptable). MoE/MoH to develop an annual monitoring system	25%	88%	90%	95%	98%
9 Output	Use of sludge drying beds for septic tank disposal - number of tanker disposals recorded at the 4 sites from septic tanks***	0	0	targets to be agreed		
10 Output	sanitation system (from SWA records/financial management system)	0%	50%	55%	60%	65%
WATER RESOURCES MANAGEMENT/ENVIRONMENT						
11 Output	Number of watershed management plans approved and under implementation or implemented (cumulative)	1	2	4	8	10
12 Output	Number of surface water monitoring stations with data being collected, analysed and disseminated	6	9	12	15	18
13 Outcome	Percentage of monitored surface water sources meeting minimum environmental standards from MNRE water quality monitoring		Baseline and targets to be agreed by June 2009. Minimum environmental standards to be defined by MNRE.			

The indicators for sanitation should be adjusted once the new policy/strategy is developed.

No! * Baseline taken from 3 months of data from June-August 2008

** Results from financial expert survey as baseline

*** To be agreed following the survey of septic tank disposal demand

	Description	Status	Target date
SECTOR ORIENTATION			
1			
WATER SUPPLY SERVICES			
2	New Water Services Policy approved	Requiritment of experts to be completed in November 2008	Jun-09
3	Water Tariff increase implemented	Approved by Board and still to be submitted to Cabinet for approval	Mar-09
4	Service Charter approved by SWA Board and disseminated to the public	Draft under preparation within SWA	Jun-09
5	Asset register and technical maps brought up to date and accessible to all	Technical support required.	Jun-10
6	Permanent leak detection with measurement systems and measurement of UFW in place for Fuluasou and Aloa zones	Work in progress with technical/fiancial support from WASSP	Jun-09
7	5 year Medium-term Investment plan for SWA drafted		Jun-09
8	Roll out of training to all IWS members completed	Training completed for 7 of 23 IWS. Further 4 scheduled to end 2008.	Jun-09
SANITATION/ WASTE WATER TREATMENT			
9	Sanitation policy developed	MNRE have offered to take the lead in coordinating consultations for drafting the policy	Jun-09
10	Sanitation national masterplan developed	To follow after agreement on the sanitation policy	Dec-09
11	Waste water tariff approved		Jun-10
12	Construction of sludge waste treatment facilities (X2 Savaii, X2 Upolu)	Conceptual design to be completed by MWH by January 2009	Jun-10
13	Cabinet Approval of the Draft National Drinking Water Standards 2008	Draft report to be approved by MoH and endorsement from JWSSC	Jun-09
WATER RESOURCES MANAGEMENT			
14	Monitoring boreholes (X15) completed and providing data on impact of water extraction from acquifers	Drilling equipment tender launched in October 2008	Dec-09
15	Water allocation licencing system in place and operational	Water Resources Bill approved by Parliament	Jun-10
16	Minimum environmental flow requirements established for priority water sources (4 in Upolu and 1 in Savaii)	Monitoring systems established. Further research required to establish minimum flow requirements	Jun-10

Harmonization

Harmonization in Samoa

During the reporting period 2007/2008 it was noted that key progress and harmonization in the Water Sector included the following:

1. Samoa effectively applies a medium term strategy planning process through its SDS, the current one being the sixth period (2008-2012), in which the water sector is described under all three priority areas.
 - Priority Area 1, Economic policies, Goal 2. Private sector economic growth and employment generation, Economic infrastructure, Water and sanitation services;
 - Priority Area 2. Social policies, Goal 4. Improved health outcomes, and Goal 5. Community development. Improved economic and social wellbeing and improved village governance;
 - Priority Area 3. Public sector management and environmental sustainability. Goal 7. Environmental sustainability and disaster risk reduction. Environmental sustainability. The percentage of urban population with access to improved sanitation and treated water supply is included as an important SDS target/indicator
2. At the level of the water sector, the main coordinating bodies are the Joint Water Sector Steering Committee (JWSSC) established in 2006 (meeting quarterly), the various project-related Technical Steering Committees and Working Groups (e.g. SSDP and WASSP) meeting monthly, and the Water Sector Management Unit (WSMU) which meets fortnightly (See attachment for detailed responsibilities and composition).
3. The establishment of a JWSSC with representation at CEO level has effectively replaced individual project steering committees, and has improved government led coordination and ownership of the sector. The establishment of project TSCs with representation at ACEO level has secured close monitoring and supervision of the different projects, while the WSMU in MOF has been effective in providing technical secretariat support for the JWSSC and the WASSP TSC.
4. Harmonization in the water sector is taking place at a promising speed and level, especially since the start of the EU funded WASSP in 2006, which among other things aims to introduce the SWAp in the water sector. This significant (9th EDF 20 mio Euro) and long-term commitment through financial and technical assistance have increased annual funding potential and predictability for the water sector, and this assistance is expected to be further continued under the 10th EDF (2009-2013).
5. Ongoing efforts to improve ownership, harmonization and alignment in the water sector include the recently approved Water for Life Sector Plan (2008-12), the further improvement of the national institutional framework for the water sector, the recently enacted National Water Resources Management Strategy and the Water Resources Bill, as well as a number of reports relating to sector specific systems and procedures (e.g. MTEF, PPMS, Harmonization) supporting the new water sector plan. However, these

reports and proposed recommendations have not yet been adopted as formal sectoral GOS planning and system documents.

6. Until now, all these activities have taken place with wide consultation of national and local stakeholders. It is intended that donors will also become increasingly involved in these consultation activities.
7. Development co-operation plays an important role in Samoa's economy, accounting annually for about 10% of GDP, and provides a significant input to the water sector itself. Some SAT\$ 156 million has entered in water sector activities over the past 5 years, equivalent to 47% of total expenditures in the water sector. An additional SAT\$ 126-139 million of international funding has been estimated for the planning period 2008-2013.
8. Until recently, SWA, being the country's main water services provider, has been the lead organization for the water sector. In 2008, the Ministry of Natural Resources and Environment (MNRE), being the custodian of Samoa's water resources, has taken over this position through its submission of the Water for Life Sector Plan to the CDC.

A more schematic overview of Samoa's harmonization efforts and achievements in the water sector are presented in the figure on the next page, measured against the Paris Declaration indicators and the OECD survey questions.

Harmonization action plan for water sector

The main objective of action plans on harmonization is to improve aid effectiveness by rationalizing aid delivery, reducing the administrative costs of managing multiple donor processes and making sure that aid is provided in ways that best support national development strategies and priorities.

Water sector achievements in harmonization

HARMONIZATION		Status/Remarks
P9	Are common arrangements or procedures being used?	
	Percent of aid provided as programme based approaches	70% (WASSP) in 2005-2010
S8	How much donors support sector approaches?	
	a. Are sector systems in place:	
	Q17. Is government leading the sector?	Yes, through MNRE
	Q18. Does a clear sector policy exist?	Yes, Water for Life: Sector Plan update has been approved by CDC in 2008
	Q19. Is a sector medium-term expenditure framework in place?	No, WASSPTA report (2007) on MTEF methodology and MTEF 2008-2013, GOS has introduced 3-year forward planning starting FY 2008/9
	Q20. Is there sector coordination?	Yes, through the Joint Water Sector Steering Committee and WSMU as secretariat (not institutionalised), representing WASSP, SSDP, IWRM and Hycos
	Q21. Is a sector monitoring system in place?	No, WASSP report on PPMS methodology and design (2006), not yet operational/adopted by GOS
	Q22. Are systems being harmonised?	No, WASSP report on harmonization and action plan (2007), not yet operational/adopted by GOS, 1st Joint Annual Review in September 2008
	b. Are common arrangements or procedures being used?	
	Q23. Are the systems aligned with GOS policies?	No
	Q24. Are funds integrated into the MTEF?	No EU is considering water sector budget support
	Q25. Are donors using the GOS monitoring system?	No
S7	Are efforts being made to streamline conditionality?	
	Q16. Are donors streamlining conditionality through a single framework? (Direct/General Budget Support and/or Sector Budget Support)	No
S9	Are donors rationalising their activities by relying on other donors to perform specific tasks?	
	Q26. Are donors delegating authority for cooperation to a lead donor?	EU is by far the biggest resident donor and observer of JWSSC; No delegated authority
P10, S10	Are field missions coordinated?/Are joint reviews being organised?	
	Q27. What is the number of donor missions and the share of donor missions that was undertaken jointly with other agencies?	Several individual missions, no joint missions
P10, S11	Are donors effective at streamlining diagnostic reviews?	
	Q28. What percentage of the donor's operational products and processes (e.g. analytic work, portfolio reviews) is done jointly with other donors who are active in that sector or thematic area?	Unknown
P10, S11	To what extent donors share analytical work and to what extent donors disclose information on their aid flows?	
	Q29. Are donors disclosing information on aid flows?	Unknown
	Q30. Are there clear arrangements between donors and GOS on how donors disclose information on aid flows?	Unknown
	Q31. Are donors making multi-annual commitments on all aid delivery (not only budget support)?	Yes, EU
	Q32. Did donors notify GOS on actual disbursements?	Unknown
	Q33. Do donors share country analytic work (country or sector studies and strategies, country evaluations, discussion papers, etc.)?	Unknown

A proposal for the water sector harmonization action plan is presented in the figure on the next page. In general, the figure shows that national consensus on the action plan be the main objective for 2007 and that 2008 be the main year to secure international discussion, consensus and commitment from the donor community, also to include their specific wishes for inclusion under the harmonization sub-section.

Outcome	Activities	Responsibility	Lead Partners	Timing	Baseline	Status
What	How	Who (1)	Who (2)	When	2008	
1. Ownership						
MNREM lead organisation	JWSSC to approve and CDC to endorse MNREM to become the lead water organisation	JWSSC, CDC	MNREM, SWA	2008	SWA/MNRE	Completed
Permanent APEX body effective	Assess international experiences and national feasibility for permanent APEX body	WASSP	MNREM, MOH, MWTI, MWCS, SWA, EPC	2009	JWSSC is project structure	Studies being formulated
Permanent technical secretariat to APEX body effective	Assess international experiences and national feasibility for permanent technical secretariat to APEX body	WASSP	MNREM, MOH, MWTI, MWCS, SWA, EPC	2009	WSMU is project structure	Studies being formulated
Water for Life sector plan (2008-2013) being implemented	WASSP to finalise, JWSSC to approve and CDC to endorse WFL Sector Plan as GOS sector plan	WASSP, JWSSC, CDC	MNREM, MOH, MWTI, MWCS, SWA, EPC	2008	First draft widely consulted	Completed
Sector performance monitoring system operational	JWSSC to approve and CDC to endorse TA-PPMS as GOS sector system	JWSSC, CDC	MNREM, MOH, MWTI, MWCS, SWA, EPC	2007	TA report approved	TA report to be updated to become GOS document
MTEF financing framework (2008-2013) being implemented	JWSSC to approve and CDC to endorse TA-MTEF as GOS sector financing plan	JWSSC, CDC	MNREM, MOH, MWTI, MWCS, SWA, EPC	2007	TA report approved	TA report to be updated to become GOS document
Harmonisation action plan being implemented	JWSSC to approve and CDC to endorse TA-Harmonisation as GOS sector action plan	JWSSC, CDC	MOF	2007	TA report approved	TA report to be updated to become GOS document
2. Alignment						
Donors signed up to WFL Sector Plan	Discuss and agree with donors on WFL Sector Plan	MOF/ACDMD	JWSSC, ADB, EU, JICA	2008	EU involved in WFL consultation	EU involved in WFL preparation
Donors signed up to MTEF	Discuss and agree with donors on MTEF	MOF/ACDMD	JWSSC, ADB, EU, JICA	2008	Consideration during 1st joint donor review	1st joint review mission being prepared
Donors signed up to PPMS	Discuss and agree with donors on PPMS	MOF/ACDMD	JWSSC, ADB, EU, JICA	2008	Consideration during 1st joint donor review	1st joint review mission being prepared
Donors signed up to Harmonization Action Plan	Discuss and agree with donors on Harmonization Action Plan	MOF/ACDMD	JWSSC, ADB, EU, JICA	2008	Consideration during 1st joint donor review	1st joint review mission being prepared
Donors participate in Joint Annual Review Missions	Invite, plan and implement first Joint Annual Review Mission	MOF/ACDMD	JWSSC, ADB, EU, JICA	2008	Start during 1st joint donor review	1st joint review mission being prepared
Delegated lead donorship to EU	Invite and ask donors to consider granting delegated authority for coordination to EU	MOF/ACDMD	JWSSC, ADB, EU, JICA	2009	Consideration during 1st joint donor review	1st joint review mission being prepared
Donors provide aid through budget support	EU & GOS to agree criteria to move to sector budget support; EU to assess criteria against actual performance; EU & GOS to agree to sector budget support; EU to start sector budget support	MOF, EU	JWSSC	2009	Being discussed	Discussion between MOF and EU taking place

Joint annual reviews

Joint annual monitoring is considered an important tool when implementing SWAp's. These reviews are undertaken by government and international funding organizations and complemented by representatives from civil society, and serves the following specific purposes:

- To jointly and periodically undertake annual reviews to evaluate the sector programme
- To serve as a main forum for resolving policy and operational issues, and adjusting the sector programme as needed
- To review the results of the previous year programme and use these results as input in the next annual programme
- To review and modify, if necessary, the indicators and/or targets formulated in the sector plan
- To agree on next year's programme including the activities to be financed, expenditure plan, procurement plan (method and sources of funding)
- , the resources each participant will contribute, and the performance indicators to be tracked

For the joint review of the sector plan, and the formats and modalities for monitoring and evaluation the years' results, short annual reports have to be produced before the start of the joint review. These reports should include (1) a presentation and analysis of the data received, (2) how these data relate to the data in the sector plan and the MTEF, (3) a review of the monitoring and evaluation system itself, and (3) if and how the process of data-collection, verification, processing and analysis can be further improved.

The following special issues have been tentatively identified for the first joint review:

1. Existing systems to collect and use water resources data in decision taking for the water sector are not yet in place, though they are currently being developed. The review should include an assessment of the developments made to establish an information base for freshwater and coastal resources to cover reliable data on groundwater resources, surface water resources, and rainfall.
2. The financial paragraph of the current sector plan covers the period of four years only (2008/09-2011/12). As a sector investment or master plan would normally require a time horizon of 10-20 years, it is suggested to have a first sector investment plan prepared and put forward to the next joint review mission (2009).

Water Sector Organisation

Joint Water Sector Steering Committee

Functions: Guide sector policy and planning processes; Mobilize support across sub-sectors and interest groups; Guarantee quality output; Monitor water policy and programme implementation at a sector-level; Address key risks to sector progress and development; Review and approval of Water for Life document, Medium Term Expenditure Framework; Appraise general progress and planning of individual water projects and address serious and/or structural constraints in project implementation; Review and approve individual water projects' (Pre-)Appraisal Reports, Financing Agreements, Annual Work Programmes, Mid-term Evaluation, Final Evaluation; Endorse TA Inception reports, TA Final Reports

Projects: WASSP (EU), SSDP (ADB), IWRM (GEF/SOPAC), HYCOS (EU/SOPAC)

Members: CEOs of MOF, MNREM, MOH, MWCS, MWTI, MAF, GMs SWA, EPC, Presidents of Chamber of Commerce and SUNGO, EU as invited donor

Secretariat: WSMU

Meetings: Quarterly

Technical steering Committees (for WASSP, SSDP)

Functions: Review and approve annual planning documents for the relevant project and its components; Review technical progress versus planning for the relevant project and its components; Review financial progress (commitment vs. disbursement) versus planning for the relevant project and its components; Review and approve expert inputs (TOR) and outputs (technical reports); Review and approve TA-Inception Report and Final Report; Identify problems and recommend solutions; Forward serious and/or structural problems to the WSSC for review

Members: Relevant stakeholders at ACEO level

Secretariat: SSDP-PMU, WASSP-WSMU

Meetings: Monthly

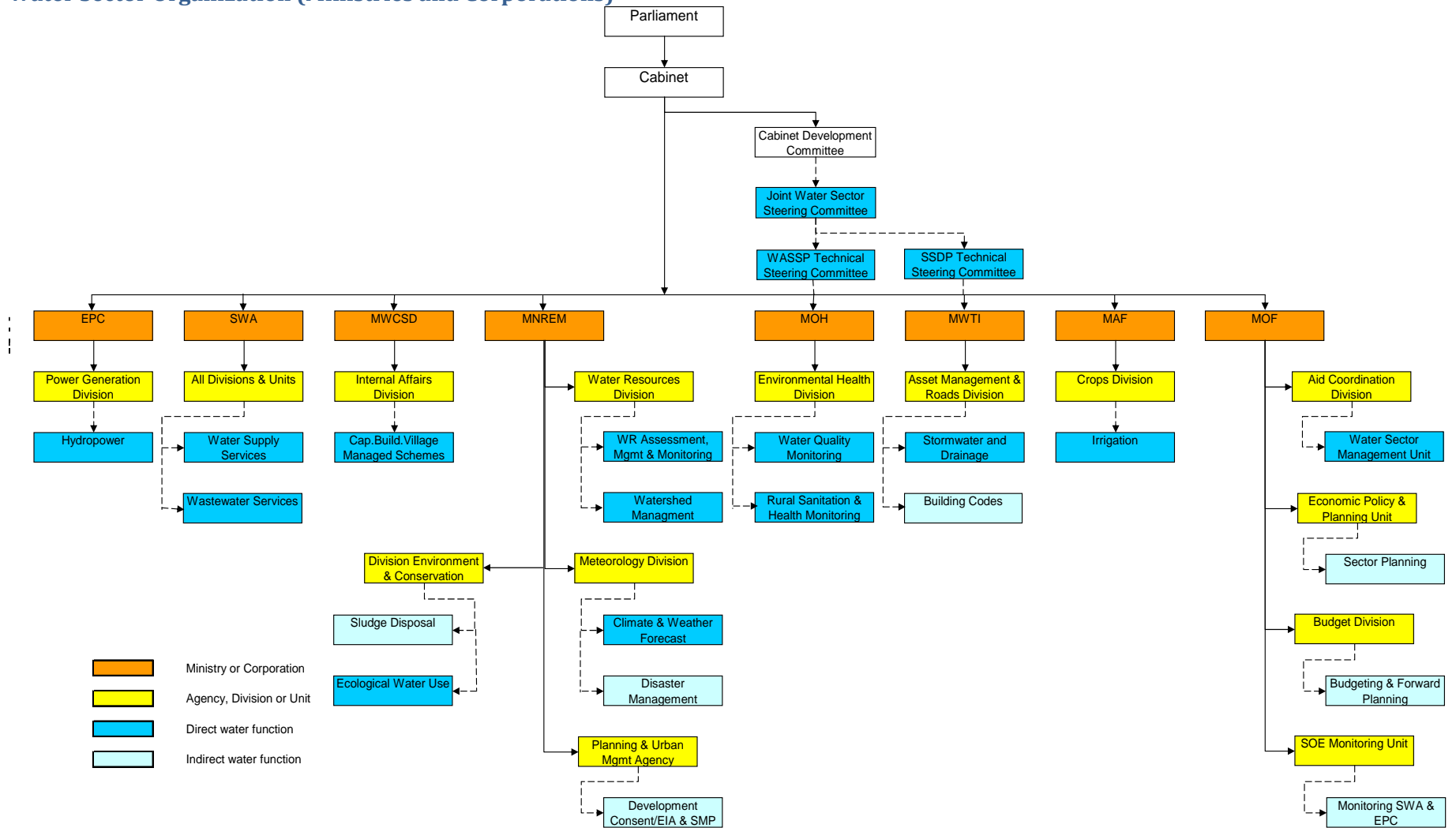
Water Sector Management Unit (WSMU)

Functions: Act as a technical secretariat for both the JWSSC and the WASSP TSC; Preparation of overarching programme estimates for sector programme implementation; Manage day-to-day processes for sector policy and programme implementation; Ensure compliance with financial, contractual and administrative procedures of international funding organizations; Support and coordinate implementing agencies, working groups and others ; Lead on performance monitoring and reporting at the sector-level with support from other PMUs; All functions carried out in close co-ordination with existing other MOF Divisions (EPPD – overseeing sector planning processes; Donor Coordination and Loans Management.– management and co-ordination of donors; Budget – mobilizing domestic funding and monitoring output; and SOEMD – monitoring water related State Owned Enterprises (SOEs).

Members: WSMU, TA-PMS, TA-PIA

Meetings: Bi-weekly

Water Sector Organization (Ministries and Corporations)



Challenges, Gaps, Recommendations and Proposed Undertakings for 2008/2009

Summary of Sector Challenges and Gaps

During the recent period of the review, the water sector experienced a number of challenges and gaps in implementing various activities in its respective sub-sectors.

As indicated in the previous chapters of this report, the different sub-sectors have developed or evolved separately and their levels of performance evaluation and monitoring are at various degrees in conformity with targets of the sector in general. The summary of the challenges and gaps is as follows:

- (i) The funds allocated by the Government to finance various water and sanitation sector activities through different agencies were not coordinated and prioritised towards sector targets. A clear picture of the resource flow to the water and sanitation sector is not yet available. The sector funding increased considerably over the last years, mainly from foreign resources. However, there was no clear prioritisation of utilizing the available resources by using allocation into sub-sectors and individual projects.
- (ii) Overall sector capacity in the development of performance monitoring system, data collection and analysis is still inadequate. Reporting format from the sub-sectors, especially the water resources management and the independent water supply and sanitation sub-sectors are not standardised and data so far collected are not harmonized.
- (iii) Water demand management that includes current and future availability of water resources in the desired quantity and quality is inadequate. This is very important for sector to attaining water supply services targets.
- (iv) Sanitation has no clear policy and coordination is still fragmented and subsequently tends to be severely under-funded in sector investment programs.
- (v) Lack of appropriate and timely approach for implementation of the proposed maintenance and rehabilitation programmes of the existing projects and institutional framework.

Recommendations

- (i) Water Sector to finalise prioritization in allocation of resources to sub-sectors in order to gain maximum contribution of all sub-sectors towards achieving sector targets is essential. Draft MTEF to be aligned with forward planning initiative.
- (ii) Review data management system to include collection, storage, analysis, standardization and development of the existing monitoring units in the water sector and harmonize with other relative sectors and institutions
- (iii) Upkeep of existing projects and institutional framework should follow proposed rehabilitation and maintenance programs in accordance with the WFL sector plan to ensure their sustainability and success to the other sector's development targets.
- (iv) Awareness and sensitization of the water sector reforms and its implications should be enhanced to all stakeholders
- (v) The current reform process management and WFL coordination practices have to be reviewed and a dynamic and an appropriate management and coordination structure in line with the challenges ahead will have to be established.

Proposed undertakings for year 2008/2009

The proposed undertakings listed here under were developed after filtering all gaps, challenges and recommendations from this report including outstanding activities from recent undertakings in the sector:

- (i) Institutionalize appropriate sector reform and WFL coordination and management in order to ensure timely WFL implementation, which includes permanent structures for JWSSC and WSMU. Sector financing mechanisms to be harmonized with local budget mechanisms.
- (ii) Finalise investment priorities for the water sector via developments of master plans for each sub-sector
- (iii) Facilitate approval of NDWQS and Water legislation so as to effectively guide implementation of the WFL.
- (iv) Build the capacity of the sector for improved and coordinated data and information management (data and information collection, analysis, storage and dissemination) so as to effectively implement the proposed performance monitoring framework for regularly tracking output, outcome and impact trends in the water sector, and link the results with SDS and MDG goals and targets.
- (v) Institutionalize and oversee the coordination of ongoing and planned institutional development and capacity building initiatives in the sector
- (vi) Enhance more cohesion amongst stakeholders for increased participation in the agreed sector dialogue mechanism (in water sector working groups). In addition, improve awareness of the WFL to all the implementing agencies and stakeholders.
- (vii) Develop and promote comprehensive framework for communication and advocacy and encourage civil society to play a more prominent role in sector development.
- (viii) Establish benchmarks based on appropriate technologies to develop and improve the sewerage and sanitation status in the sector. Identify gaps on sewerage, sanitation and hygiene in WFL documents, prepare work plan to meet sewerage and sanitation targets.

Relevant Documents

1st Annual Joint Water Sector Review Report (this document)

Approved documents:

Samoa Development Strategy 2008-2012

Water for Life: Framework for Action 2008/9-2011/12

National Water Resources Bill 2008

Water Resources Management Strategy 2007-2017

Draft documents:

National Drinking Water Quality Standards 2008

Draft Health Bill 2008

Waste Management Bill 2008

Samoa Water Authority (Sewerage and Wastewater) Regulations 2008

Trade Waste Policy 2008