



# Samoa–Australia Partnership for Development report 2009

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## Contents

<b>Part I: Context</b>	<b>2</b>
The tsunami	2
The economy	2
Aid policy	3
Central reforms	3
The donor landscape	3
<b>Part II: Progress</b>	<b>4</b>
Overall progress and ratings	4
Key results and successes	4
Priority outcome 1: Private sector growth and employment (agriculture and fisheries)	5
Priority outcome 2: Improved health	6
Priority outcome 3: Improved education	7
Priority outcome 4A: Improved governance (law and justice)	9
Priority outcome 4B: Improved governance (public finance management, statistics and public service capacity)	11
Priority outcome 5: Climate change	13
<b>Part III: Discussion</b>	<b>14</b>

This report focuses on the progress in 2009–10 towards the outcomes of the Samoa–Australia Partnership for Development. Reports on the performance of Australia’s development cooperation in Samoa in previous years are available on the Australian Agency for International Development’s (AusAID’s) website.

## Part I: Context

### The tsunami

The September 2009 tsunami tragically resulted in lost lives and livelihoods, touched the whole Samoan society, and called for national and international emergency and relief responses of unprecedented scale and intensity in the country. The immediate implication for the Government of Samoa and its development partners was disrupted normal business for at least three months; longer term rehabilitation, future mitigation measures and other shifts in society and the economy likely to take months or years to run their course.

The solid relationship between Australia and Samoa underpinned a rapid and robust response to the tsunami, with Australian emergency and medical personnel landing less than a day after the request for assistance.

Clearly some efforts to meet targets of the Partnership for Development had to be redirected or rescheduled. But what is remarkable is how much was achieved in 2009–10 despite the disruption caused by the disaster, how quickly government got back to business, and how crucial policy and institutional reforms were not derailed.

### The economy

Despite a generally high standard of living, a significant proportion of households are vulnerable to hardship, not least as a result of the global economic recession.

However, the International Monetary Fund has highlighted the government’s swift response to the tsunami and how recovery plans are consistent with safeguarding Samoa’s social and economic progress, as well as macroeconomic stability. Fiscal policies were assessed to be appropriately focused on allocating development spending to infrastructure rehabilitation, and non-priority current spending to providing basic social services. The authorities’ commitment to their strategy for managing public debt and to filling remaining financing needs primarily through concessional external financing and grants provides an important basis to macroeconomic stability.

Samoa’s debt outlook remains favourable; it continues to be at a low risk of debt distress. The Government of Samoa framed the 2010 (financial year) Budget with the intent of ‘easing and slowing down the pace of the shock’ arising from the global economic crisis.

Even so, the hardship encountered by some groups has been real. AusAID was able to develop additional programs in 2009–10 with the Government of Samoa and other development partners to target the most vulnerable. Alongside this, AusAID had to reconsider the pace of some of the reform programs it supports in recognition of current capacity and the likely scope of government support for such programs during the recession.

## Aid policy

The Government of Samoa's June 2010 draft Aid and Development Cooperation Policy 'Partners in development: promoting aid effectiveness' sets a new standard for aid relationships in Samoa, and indeed in the Pacific. It complements and is compatible with the intents and principles of the Partnership for Development, and signals the readiness of donors to increase further their use of Samoan government systems and, over time, budget support. The policy commits Samoa to further strengthening its systems and accountability for results. But it also implies the need for a progressive and proactive response from Samoa's development partners to reduce the allocative inefficiencies and the high transactions costs of aid. This response should be led by its biggest donor—Australia.

Australia has already been trialling budget support under the partnership and in response to the tsunami. AUD2.0 million was provided as performance-based budget support against triggers defined in the multi-donor-approved policy matrix (which captured the original partnership targets among others). AUD3.0 million was provided as un-earmarked general budget support on the basis of Cabinet's approval of the post-tsunami recovery plan, and a further AUD2.5 million of targeted budget support was provided for disaster mitigation and environmental rehabilitation.

## Central reforms

Many of the policy and institutional reforms that underpin the Partnership for Development (and represent milestones in its early implementation strategies) have progressed unabated by the external shocks. In particular, progress on the Public Financial Management Reform Plan was strong, triggering unconditional incentives for budget support. Public expenditure and financial accountability assessment, debt management studies and fiduciary risk assessments all show encouraging results. The new Aid and Development Cooperation Policy mentioned above provides a robust framework for increasing aid effectiveness.

## The donor landscape

Significant shifts in the donor landscape include growing investment by the World Bank and the Asian Development Bank (including new levels of loan funding) in Samoa, as well as by other bilateral and non-traditional donors. Inevitably this increases the challenge of harmonising support, and AusAID is taking a lead in meeting this challenge.

As highlighted during the preparation of the Partnership for Development, the overwhelming need is to better match aid delivery instruments and approaches to Samoa's demonstrated positive capacity to manage public finance, but in the context of quantitatively extremely stretched human resource. Not all agencies are moving in that direction.

## Part II: Progress

### Overall progress and ratings

Programming in 2009–10 under the Partnership for Development comprised both new work and the continuation and deepening of pre-existing bilateral activity. The tsunami meant that much of the new work was either not started until late in the financial year or was rescheduled for 2010–11, and that some pre-existing work streams were severely disrupted. Ratings of progress towards some outcome targets are therefore lower than was hoped, but in most cases can be expected to improve. In some cases outcome targets are likely to be fully achieved within the timeframes of the partnership despite the interruptions caused by the disaster.

Table 1 presents ratings, based on progress in 2009–10, of the likelihood that the priority outcomes of the Partnership for Development will be achieved within the timeframes established. These ratings are often different from those assigned to the wider AusAID bilateral program for Samoa, because the partnership activities are comparatively new or just starting.

**Table 1: Ratings of progress in 2009–10 towards the priority outcomes**

Partnership priority outcome	Rating
1. Private sector growth and employment (agriculture and fisheries)	Not rated
2. Improved health	Not rated
3. Improved education	■
4A. Improved governance (law and justice)	■
4B. Improved governance (public financial management, statistics and public service capacity)	■
5. Climate change	■

Legend:

- Based on progress in 2009–10, the outcome will be fully achieved within the timeframes of the Partnership for Development.
- Based on progress in 2009–10, the outcome will be partly achieved within the timeframes of the Partnership for Development.
- Based on progress in 2009–10, the outcome is unlikely to be achieved within timeframes of the Partnership for Development.

### Key results and successes

- > The Agriculture Census was undertaken.
- > The Demographic and Health Survey—critical to evidence-based health planning—was completed and the preliminary report was produced as scheduled.
- > The National Teacher Development Framework—critical to performance management and addressing teacher retention and development—was completed.
- > The targeted school fee relief was delivered through budget support, transforming the government’s ability to implement its policy on compulsory education.
- > The inclusive-education pilot project at secondary level successfully demonstrated the real benefits of addressing the learning needs of all children, particularly those vulnerable to marginalisation, exclusion and isolation.
- > The accreditation procedures for technical and vocational education and training (TVET) were institutionalised.
- > The Secretariat of the Law and Justice Sector was established, providing the foundation for sector-wide reforms.

- > As the basis of multi-donor support for public financial management and governance reforms, a new policy matrix, incorporating the original partnership targets but expanded to reflect wider reforms, was agreed.
- > All targets related to public financial management were substantively met, which triggered release of the AUD2.0 million un-earmarked budget support.
- > Australian emergency and medical personnel were first to arrive after the tsunami, landing within 20 hours of the request for assistance. One hundred and eight Australian personnel were on the ground at the peak of the response. AusAID assistance in response to the earthquake and tsunami amounted to AUD12 million, some of which was redirected partnership funds.

### Priority outcome 1: Private sector growth and employment (agriculture and fisheries)

#### **Pre-tsunami indicative commitments (pending the formulation of a sector plan)**

Australia: AUD1.0 million in 2009–10 and AUD12 million over 5 years.

Samoa: AUD90 000 (9% duties & taxes) in 2009–10 and up to AUD1.08 million over 5 years.

World Bank: USD2 million in 2009–10 and USD10 million over 5 years.

#### **2009–10 targets**

- > Relevant government institutions develop and implement corporate plans to support a new agriculture sector plan.
- > Subsequent policy and regulatory reforms include improved discussion between the private sector and civil society.

#### **Rating**

Not rated in 2009–10 as funds for this priority outcome were reallocated to the tsunami recovery efforts.

Progress towards this outcome was not substantive, initially because of the significant (and continuing) uncertainty about the likelihood and focus of a new USD8 million World Bank loan<sup>1</sup> for agriculture. Subsequently most of the 2009–10 AusAID funds earmarked for work towards priority outcome 1 were rescheduled for emergency relief and rehabilitation purposes following the tsunami. This is why progress towards this outcome was not rated. The targets and activities for 2009–10 were rolled over to the next year.

However, an Australia-funded national consultant was recently appointed to support the development of a sector plan (the first and most fundamental area of support under this priority outcome area), on which future sectoral policy and investment—and partnership activities—can be based.

In addition, the Government of Samoa progressed its Fruit & Vegetable Strategy and undertook a crop and soil-type mapping exercise.

The scope and emphasis of the initial implementation strategy of the Partnership for Development remains relevant and necessary, and the outcome targets are still a priority for

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<sup>1</sup> With some possibility of a further USD5 million grant funding.

government. However, sectoral institutions are not yet able to articulate a clear or comprehensive approach to reform of the agricultural sector. Niche agricultural exports continue to offer real opportunities for the rural poor; the challenge is one of scaling up the capacity of the private sector and civil society in this area, providing for the necessary economic infrastructure, and addressing regional (including Australian) non-tariff trade barriers.

The World Bank's design missions were not universally well received; discussion continues on whether or how such loan funds will be used in the sector. Until this is resolved, it will be difficult to configure any partnership activities with certainty about their relevance.

New Zealand's International Aid & Development Agency, NZAID, maintains a special interest in the sector, with good but relatively small projects in some of the most promising areas—for example, in improving market connectivity through Women in Business Development, and support for small business. NZAID continues to seek AusAID's contribution to the sector.

In addition to the preliminary work on a sector plan, AusAID financed the Agriculture Census, provided some support to the Scientific and Research Organisation of Samoa, and continued to support regional market access initiatives under the Pacific Horticultural and Agricultural Market Access Program.

## Priority outcome 2: Improved health

### Pre-tsunami indicative commitments

- Australia: AUD1.0 million in 2009–10 and AUD7.0 million over 4 years for primary healthcare revitalisation and diabetes screening (in addition to existing indicative commitments of AUD3.5 million in 2009–10 and AUD14 million over 4 years to the Health Sector Wide Program).
- Samoa: In line with commitments to the Health Sector Wide Program, the Government of Samoa commits to maintain its overall contribution to the health sector at 15% of the government Budget. In addition to financial contributions, Samoa undertakes to provide such human resources, office space and logistical support as is required to achieve this priority outcome.

### 2009–10 targets

- > Increase diabetes and cardiovascular screening.
- > Increase frequency of doctor visits to, and number of nurses servicing, rural facilities.
- > Increase use of community-based primary healthcare facilities.

### Rating

Not rated in 2009–10 as funds for this priority outcome were reallocated to the tsunami recovery efforts.

Institutional reforms (principally the separation of policy from delivery) in the health sector are only just being bedded down, and the sector-wide approach to developing health services—while seen by some as a successful example in the region—is still finding its way in some aspects of the implementation arrangements, donor harmonisation and the mixed ways of delivering aid. Partnership priorities seek to complement the sector-wide approach in important areas not covered by it, while aligning the partnership's management as closely as possible with that of the sector-wide approach.

This unique institutional environment did not result in rapid implementation of activities for priority outcome 2, and all AusAID 2009–10 funds allocated to the health sector under the

partnership were subsequently reallocated to post-tsunami emergency and relief operations. This is why progress towards this outcome was not rated. The targets and activities for 2009–10 were rolled over to the next year.

While the Government of Samoa progressed a number of relevant activities (including the Demographic Health Survey) and the ongoing work of diabetes clinics, the strategic ‘gap-filling’ role the partnership was to play in the sector, and in particular its rural focus, did not materialise in 2009–10.

Conceptual questions remain (particularly following the post-tsunami operations) about the feasibility and cost effectiveness of contracting out rural health services, and there continues to be valid discussion about whether it is right to pursue a ‘key disease focus’ or a ‘One Health’ approach in planning and delivering health services in Samoa, particularly maternal and child health services.

The funding of the health sector in Samoa (as in other countries) remains highly fragmented, with much of the funding coming from agencies and donors with tightly defined interests and conditions at the subsector level.

Nonetheless, the spirit and principles of priority outcome 2 remain valid. Australia’s rapid response to the tsunami (in part funded from redirected partnership funding for health and mostly provided in the form of budget support) was highly valued.

In 2010–11 the following work will be undertaken in addition to the activities rolled over from 2009–10.

- > Undertake review of Health Sector Plan, particularly to identify the issues surrounding the emerging threats from climate change and susceptibility to natural disasters.
- > Adjust the language of priority outcome 2 to ‘strengthening the Samoa health system through health promotion and revitalisation of primary healthcare’ (recognising the role of the community itself) and ‘non-communicable diseases’ instead of ‘diabetes’.

### Priority outcome 3: Improved education

#### **2009–10 commitments**

Australia: AUD4.0 million (in addition to existing annual commitments to Education Sector Project Phase II of AUD2.9 million).

Samoa: USD4.74 million contribution to the Education Sector Project Phase II (2006 –10).

#### **2009–10 targets**

- > Design non-salary recurrent budget support mechanism.
- > Finalise and initiate the National Teacher Development Framework.
- > Develop and implement the TVET component of Samoa National System of Qualifications and the quality assurance processes for TVET providers.
- > Design and implement the progressively expanding Inclusive Education Program.
- > Design and implement the School Fee Relief Scheme.

#### **Rating**

Based on progress in 2009–10, the outcome will be fully achieved within the timeframes of the Partnership for Development.

The outcome targets are built on strong pre-existing relationships and solid analysis of requirements and priorities. Activities consequently progressed well in 2009–10, despite some rescheduling of funds following the tsunami.

Importantly, the outcomes demonstrate significant transformations in the education sector that have leveraged change and impacts that extend beyond the immediate interventions.

- > The new National Teacher Development Framework established the basis for sustained improvements in teacher quality and retention, with genuine cross-ministry buy-in and necessary financial provisions already incorporated into the 2010–11 Budget.
- > The School Fee Grant Scheme, linked to improved standards in 163 schools, not only provided timely help to reverse falling attendance rates in the face of the economic downturn and natural disaster, but importantly allowed government policy on compulsory schooling to be enforced equitably.
- > The pilot project to promote inclusive approaches to basic education brought opportunity and success to students with disabilities. But significantly it forged a cultural shift in the schoolroom and playground, and demonstrated the crucial role of civil society in bringing about change for the better.

Literacy and numeracy are assessed through a Samoa Primary Education Literacy Level test conducted each year for years 4 and 6. The results provided in the Ministry of Education, Sports & Culture's Statistical Digest (2010) indicate a downward trend in the results for year 4 literacy, showing students at risk increasing from 20% in 2008 to 35% in 2009 for English and from 23% to 28% for Samoan. The proportion of boys at risk with English grew markedly from 20% in 2008 to 43% in 2009.

The year 6 literacy and numeracy test results present a more positive picture, with the number of at-risk students dropping slightly from 73% in 2008 to 71% in 2009 for boys (English) and from 47% in 2008 to 41% in 2009 for girls. Numeracy results for both boys and girls show a positive trend.

Processes for the accreditation of providers of post-school education and training were established and institutionalised through an accreditation panel, with the Maritime School currently going through the accreditation process. Trainers received training, and an initial tracer study was commissioned.

Some challenges remain in the sector in terms of developing a comprehensive analysis of its financing requirements by government and multiple donors. The current Medium Term Expenditure Framework is not considered sufficiently substantial or broad in its scope, and so needs to be reviewed. The framework needs to be able to progress the non-salary recurrent costs element of the Partnership for Development.

To address the learning needs of all children, the pilot project of the Samoa Inclusive Education Program needs to be expanded. The valuable but relatively narrow base and constituency of the pilot would be improved if it captured the contribution of other special needs providers, and involved existing structures and systems such as the Special Needs Education Committee.

In 2010–11 the following work will be undertaken.

- > Embed and expand implementation of the National Teacher Development Framework and ensure continuity and consistency.
- > Develop and implement improved support systems for teachers, including mentoring systems and incentives.
- > Investigate mechanisms for streamlining some non-teaching duties, such as librarianship and support for information and communications technology.
- > Review the inclusive education policy in the context of the pilot program and other special needs programs, and produce guidelines for including the learning needs of all children of school age.
- > Roll over work on non-salary recurrent costs.
- > Establish a clear, costed plan of work for TVET that includes:
  - expanding schools-based TVET to five pilot schools
  - reviewing the apprenticeship scheme (incorporating private sector priorities)
  - establishing processes for international recognition of the Samoa Qualifications Authority's TVET qualifications.

#### Priority outcome 4A: Improved governance (law and justice)

##### **2009–10 commitments**

Australia: AUD500 000.

Samoa: Government of Samoa to convene donor meetings to coordinate all support to the law and justice sector.

##### **Targets (schedule not yet agreed and finalised as at June 2010)**

- > Establish and build the capacity of a sector secretariat.
- > Establish a medium term expenditure framework and a performance monitoring framework.
- > Develop the basis for a sector-wide program.
- > Undertake a community perception survey on policing.

##### **Rating**

Based on progress in 2009–10, the outcome will be fully achieved within the timeframes of the Partnership for Development.

The Samoa Law and Justice Sector Plan provides a solid foundation for government and donor investment in the sector.

The Secretariat of the Law and Justice Sector was established and achieved its full staffing complement in May 2010. The secretariat provides the capacity to progress all other areas of the law and justice component of the Partnership for Development. AusAID resources are provided through the secretariat to support priorities established under the Law and Justice Sector Plan, as determined by the Sector Steering Committee. A key priority is to bring all development assistance programs (including activities of the Australian Federal Police) into line with this plan and under the coordination of the secretariat.

Support for community policing is set out in the Samoa–Australia Policing Partnership's Strategic Framework, January 2010, and constitutes a subset of the wider Samoa–Australia

Partnership for Development. The Policing Partnership (managed by, and funded separately through, the Australian Federal Police) seeks to improve public safety through better investigation and general policing, to improve the ability of the police to respond to and positively shape community perceptions of the police, and to improve the Police Service's capacity to provide corporate support to its operational arm. Efforts need to be redoubled to ensure that this separately defined and managed component of the sector—which necessarily works through its own institutional structures and arrangements—remains firmly grounded in the aspirations and priorities of the Law and Justice Sector Plan and its national direction. The Samoa Association of NGOs, which is well represented on the Sector Steering Committee, emphasises the centrality of careful alignment of community policing with cultural imperatives.

The Government of Samoa's aim to construct new, fit-for-purpose and humane prison facilities<sup>2</sup> remains unfulfilled. The Australian Federal Police has made clear that it does not have a comparative advantage in prison construction, or the funds. Further, a prison does not feature among the priorities of the wider bilateral program. However, the Australian Federal Police will assist in formulating a five-year transition plan to separate the prisons from the police service.

Broadly, the Government of Samoa considers sectoral development to be progressing well and to plan (the exception being the financing of prison facilities), with efforts to improve the alignment of donor support with community policing objectives being appreciated. However, the uncertainty and volatility of donor funding remain a challenge, which needs to be addressed.

In 2010–11 the following work will be undertaken.

- > See April 2010 revised Activities Implementation Schedule, which budgets 2010–11 activities at AUD100 000 (excluding prison infrastructure).
- > Focus activities on community safety, access to justice, customary and community-based justice, integrity and good governance, and capacity building, largely as in the original implementation strategy.
- > Develop, as a priority, a sector-wide approach to support, with pooled donor funding flowing through government systems and based on a robust Medium Term Expenditure Framework and performance monitoring framework.
- > Provide support on the understanding that in future financial years the Government of Samoa will also provide funding to the Secretariat of the Law and Justice Sector.

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<sup>2</sup> Incorporating interesting ideas on design that are intended to promote the sense and responsibility of 'community' and improve inmates' chances of being successfully rehabilitated.

## Priority outcome 4B: Improved governance (public finance management, statistics and public service capacity)

### 2009–10 commitments

Australia: AUD2.2 million for continued financing of the Public Sector Improvement Facility.  
AUD2.0 million for performance-based budget support.  
AUD0.5 million for the Bureau of Statistics.  
AUD40 000 for a review of the trade-related intellectual property right legislation.

Samoa: Government of Samoa develops and the Cabinet approves the National Statistics Development Plan for Samoa.  
Government of Samoa approves and implements the revised training program for the Bureau of Statistics, which provides staff with the necessary skills to provide reliable data on development and governance indicators.

### Targets

- > Develop a National Statistics Plan.
- > Build the capacity of the Bureau of Statistics.
- > Develop an aid policy for Samoa.
- > Complete the 2009 public expenditure and financial accountability assessment and subsequent Public Financial Management Reform Plan.
- > Complete the 2009 debt management performance assessment and subsequent strategy.

### Rating

Based on progress in 2009–10, the outcome will be fully achieved within the timeframes of the Partnership for Development.

In 2009–10 the substantial efforts made to achieve the targets of this priority outcome of the Partnership for Development had remarkable results.

All targets related to public financial management were substantively met, which triggered the full release of the AUD2.0 million un-earmarked budget support. Discussions about public financial management were deep, broad-based and significant, with the 2009 public expenditure and financial accountability assessment and the new debt management performance assessment forming the basis of planning and action. As a result, a new policy matrix, related mostly to governance and public financial management, was agreed between the Government of Samoa and multiple donors. It is now the basis of performance assessment.

Samoa launched its draft Aid and Development Cooperation Policy in June 2010, establishing a sound basis for more efficient and effective aid flows. It reflects the move towards general budget support, and raises Samoa's expectations of its development partners while committing itself to the necessary reforms, accountability and leadership of development.

With AusAID support, Samoa is one of only two countries in the Pacific region that is undertaking its own self-evaluation of its implementation of the principles of the Paris Declaration on Aid Effectiveness.

Targets for the development of sector plans and reviews were exceeded and budget processes were developed and procedures revised to better link budget allocations to sectoral priorities.

At an operational level, the backlog of public account reconciliations was cleared. The accounts for 2009–10 will be published on time. New procurement guidelines are pending the recruitment of some technical assistance.

All of this is based on the solid Public Financial Management Reform Plan, the second phase of which was recently allocated AUD2.0 million budget support. (More than 50% of the targets in the sector plan had already been met.)

Multiple donor accounts continued to cause allocative inefficiencies (many such accounts contain unspent funds while the general budget remains under stress), with some expenditure occurring in areas that are not a priority for the Government of Samoa. Discussion is needed on ways to reduce these inefficiencies by moving, perhaps, to a single multi-donor trust account, pending a complete move to budget support.

Work on the statistics targets of the priority outcome is just beginning. The Bureau of Statistics has suffered from fragmented and unpredictable donor funding, and particular pressures associated with the release of household survey information following the tsunami. More work, and donor coherence, is needed to ensure Samoa's development has a sound evidence base and credible performance baselines. There are seemingly inconsistent data emerging from tracking indicators of the Millennium Development Goals and Samoa's own definitions of basic needs.

In 2010–11 the following work will be undertaken.

- > Continue support through the Public Sector Improvement Facility and through performance-based budget support for the second phase of the Public Financial Management Reform Plan.
- > Roll over statistics targets from 2009–10.
- > Proceed with the Executive Development Plan (which has been on hold pending restructuring of the Public Sector Improvement Facility).
- > Continue the review and subsequent implementation of trade-related legislation for intellectual property rights.
- > Support the population census.

## Priority outcome 5: Climate change

### 2009–10 commitments

- Australia: AUD750 000 for the National Adaptation Program of Action 4 (NAPA 4).  
AUD250 000 for the National Greenhouse Gas Abatement Strategy's Biomass Gasification Pilot Project.  
AUD100 000 for sustainable financing for climate change adaptation.  
AUD50 000 for capacity building and enhanced mainstreaming.
- Samoa: Samoa undertakes to provide human resources, office space, and logistical support as is required to ensure the successful implementation of this priority outcome.

### Targets

- > Manage and implement National Adaptation Program of Action 4.
- > Analyse options for renewable energy.
- > Assess appropriate sustainable financing mechanisms, and draft guidelines.
- > Appoint a coordinator of training and complete a training needs assessment.

### Rating

Based on progress in 2009–10, the outcome will be partly achieved within the timeframes of the Partnership for Development.

The climate change 'sector' in Samoa is a crowded space. External support for Samoa's climate change program comes from at least nine different sources, many with specific target areas and conditions. The challenge is not one of securing sufficient funding for identified priorities, but of how to use available funding effectively—how to coordinate the resources and activities to achieve a Samoan-led program with sustainable financing—with relatively few people working across multiple initiatives and donor programs.

In the longer term there is considerable work to do to incorporate climate change resilience and adaptation across sectors, to keep abreast of the growing scientific base, and to act when the implications for physical infrastructure, water and energy sectors, for example, become clearer.

Crucially climate change needs to transition from an almost exclusively supply-led response to a genuinely government-led strategy. Bringing funds under one umbrella, and allowing flexibility in the allocation of external funding across national climate change priorities, is a high priority. Australia can show the way in this respect.

Activities under the Partnership for Development were not initiated until March 2010, when AusAID funds came on-stream following tsunami-related disruptions. There were therefore few results in 2009–10, although early recruitment and procurement activities progressed.

In 2010–11 the following work will be undertaken.

- > Roll over targets from 2009–10.
- > Increase the focus on identifying, studying the feasibility of, and trialling more efficient financing instruments.
- > Review the National Adaptation Program of Action's document.
- > Review the decision on the agro-forestry project.

## Part III: Discussion

Notwithstanding the disruption and social and financial consequences of the September 2009 natural disaster, the Samoa–Australia Partnership for Development made good progress in most areas in 2009–10.

Most crucially, the Partnership for Development reshaped the nature and balance of development cooperation in Samoa. It changed the way Samoa perceives and manages aid relationships, engendered real ownership of development processes, and provided Samoa the opportunity to articulate its needs and how to address them. These needs and the associated funding incentives helped Samoa to sharpen its focus on its own priorities and generate genuine cross-sectoral and cross-stakeholder discussions about its own development choices.

Solid progress in public financial management reforms are now complemented with the Government of Samoa's new Aid and Development Cooperation Policy, which clearly and succinctly sets out a well-reasoned argument for greater aid effectiveness. The challenge now rests with Samoa's development partners, including Australia, to respond—for it could be argued that the most significant constraint to achieving lasting social, economic and environmental outcomes through development assistance lies not in weaknesses in Samoa's systems and capacity, but in the inefficiencies and lack of effectiveness of a crowded, fragmented and multi-directional donor landscape. Achieving greater allocative efficiency will be hugely important, particularly while Samoa's Budget is under some stress.

More discussion is needed in terms of agreeing targets for 2010–11. In some cases the delayed or rescheduled implementation of 2009–10 activities means that earlier targets will need to be rolled over. However, discussion about targets and programming needs to consider two things.

1. Some sectors continue to lack a coherent sector plan or strategy—that is, an articulation of what is the 'right thing in the right place at the right time' in terms of policy and public expenditure, to achieve stated objectives). Without a plan or strategy, those sectors' demands on the Partnership for Development will continue to look like shopping lists of ad hoc projects and consultancies. That needs to change, and is clearly a prerequisite to the implementation of Samoa's new aid policy.
2. Samoa and Australia need to learn from first-year experience and reflect on the level of detail and activity-level specification that it is appropriate and adds value to the partnership schedules. Even without natural disasters, there are many largely unpredictable variables that determine the quality and quantity of day-to-day progress towards the partnership's priority outcomes. The most significant achievements were where bigger-picture outcomes were agreed and incentives provided, rather than where the partnership tried to prescribe low-level activity or arbitrarily defined outputs.

The time and resources required by AusAID to launch and manage new partnership activity has been significant. The spread across so many sectors and the number of initiatives may need to be reflected on unless more efficient aid instruments can be used.

Finally, there continues to be some confusion as to what is 'in' and what is 'out' of the partnership, and quite what the difference is. The confusion is particularly evident when AusAID's implementing partners from elsewhere in the Australian Government operate partly autonomously and partly within the machinery of the partnership.