



**Statement of Corporate Objectives  
2017 - 2020**

**SAMOA WATER AUTHORITY**



# FOREWORD

Mr. Speaker  
Office of the Legislative Assembly

In accordance with Section 22 of the Public Bodies (Performance and Accountability) Act 2001, I hereby submit to the Legislative Assembly the Statement of Corporate Objectives for the Samoa Water Authority for the Plan period 2017 – 2020.

Ma le fa'aaloalo,

Hon. Papali'itele Unasa Niko Lee Hang  
Minister of Works, Transport and Infrastructure

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# ACRONYMS

CBAP	-	Capacity Building Action Plan
CP	-	Corporate Plan
CSO	-	Community Service Obligation
DMA	-	District Metered Areas
EU	-	European Union
EPC	-	Electric Power Corporation
FK	-	Cabinet Directive
FY	-	Financial Year
IAS	-	International Accounting Standards
MDG	-	Millenium Development Goal
MNRE	-	Ministry of Natural Resources and Environment
NRW	-	Non Revenue Water
NWS	-	National Water Services
PUMA	-	Planning Urban Management Agency
SDS	-	Strategy for the Development of Samoa
SWA	-	Samoa Water Authority
WFL	-	Water For Life
WTP	-	Water Treatment Plant
WaSSP	-	Water Sector Support Program
WWTP	-	Waste Water Treatment Plant

# MANDATE

Samoa Water Authority is the major provider of water supply and wastewater services established under the Samoa Water Authority Act 2003 and Samoa Water Authority Sewerage and Wastewater Regulations 2009. Under these Legislations, the Authority is empowered (through the Board of Directors and the Managing Director) to do all things lawful and necessary in the performance of its functions.

Other relevant legislation, regulations, policies and codes which govern or affect the operation of Samoa Water Authority include Public Bodies (Performance and Accountability) Act 2001, Public Finance Management Act 2001, Labour and Employment Relations Act 2013, Water Resource Management Act and policy 2008, Cabinet Directives (FK) applicable to SWA and Government Corporations, Samoa National Drinking Water Standards, SWA Engineering Standards, International Accounting Standards, Trade Waste Policy (2011), National Water Services policy (2010), and Occupational Health and Safety Act 2002.

## PROFILE

### SWA's History

Samoa Water Authority is a State Owned Enterprise and one of two reticulated water suppliers in Samoa. We provide water to domestic and commercial customers within our service areas. We also provide wastewater services to the majority of the commercial customers in the central business area and to the Tupua Tamasese Meaole National Hospital at Motootua.

We service about 80% of the population (approximately 11,500 and 3,500 customers on Upolu and Savaii respectively).

The Authority manages 5 conventional slow-sand filter water treatment plants located at Malololelei, Alaoa, Fuluasou (2), and Vailoa Palauli in Savaii and 8 new rapid-sand filtration package treatment plants located at key rural and peri-urban centers – Tafitoala, Togitogiga, Piu, Lefaga, Lepa, Aleisa, Fagalii uta and Vailele. All other areas are serviced through borehole supplies and a few untreated supplies. All treated supplies are chlorinated to comply with the Samoa National Drinking Water Standards. Customers supplied from these treatment plants receive clean water on a 24-hour basis if the supply is sufficient. The Authority also manages a wastewater treatment plant (WWTP) located at Sogi. The WWTP serves approximately 120 commercial customers within the Central Business District of Apia including the National Hospital and the quality of the effluent discharged is closely monitored by MNRE – PUMA. The Authority is implementing a project to extend the coverage area which will increase amount of commercial buildings to be included in the system.

The Authority is responsible for financing its own daily operations and maintenance activities from revenue collected for services to customers. The current water tariff does not cover the full costs of operations as well as new capital investments. The government therefore provides financial assistance through the Community Services Obligations (CSO) component and the Donor agencies providing substantial financial support for capital investments through the Budget Support component. CSO mainly finance the cost of electricity for boreholes and land leases. Budget Support provides financial support for the Authority's Capital Investment Plan which guides the implementation of new capital projects. Such projects included the construction of new water supply schemes for areas such as Falelauniu, Lepa and Saleapaga tsunami areas Falealupo & Neiafu, upgrade of main pipelines to improve water loss management and capacity building. Ongoing and future projects includes upgrade of reticulation systems for Vailele phase 2, Aleisa towards Faleasiu, supply scheme for Faleasiu uta, upgrade supply for Gataivai raw system, supply schemes for Moamoa fou subdivision and the extension of the sewer system for wastewater treatment to cover government and commercial buildings along Mulinuu road.

SWA maintains a close working relationship with the Independent Water Schemes Association (IWSA) through the sector-wide approach adopted by Government. In accordance with the National Water Services Policy the SWA and IWSA are currently finalizing a Memorandum of Understanding (MoU) to clearly define the service area boundaries of the two organizations, to minimize conflict of interest between the water service providers and to ensure a constructive relationship that aims to optimize technical and economic solutions for delivery of water supplies for our communities.

Samoa Water Authority's financial performance is monitored by an independent Audit Committee which is appointed by the Board. Samoa Water Authority maintains a strong governance and management structure to ensure we meet our statutory requirements and can effectively deliver Government policy.

Samoa Water Authority's Board of Directors presides over all significant strategic, commercial, regulatory, financial and risk-focused elements of our business.

### **SWA's Vision**

To promote access to reliable, clean and affordable water services for all people in Samoa within our mandated service areas.

### **SWA's Mission**

To effectively manage the provision of safe, reliable and sustainable water services to our customers.

### **SWA's Values**

#### **Genuine**

Always doing what we say we will and striving for excellence and quality in everything we do.

#### **Committed**

Proactively working with urgency and commitment to be successful.

#### **Innovative**

Strive to explore new ways of doing things that translate positively in the continuous improvement in productivity and better services to customers.

#### **Professional**

At all times we act with diligence, integrity, impartiality and care in providing quality service, being reliable and responsible leaders and experts in our field.

#### **Helpful**

Demonstrate reliable services to cater for the needs of customers. Providing support to one another, working co-operatively, and making our work environment fun and enjoyable.

## **MAJOR OBJECTIVES**

### **CUSTOMER SATISFACTION AND COMMUNITY ENGAGEMENT**

#### **Objective**

To enhance customer satisfaction and build our image through inclusion of customer insights, promoting customer relationships and community engagement, ensuring we are operationally efficient and delivering sustainable solutions, quality products and exceptional service.

#### **Strategies**

- Use customer insights and community engagement to form strategies and make informed decisions.

- Understand the difficulties faced by our customers and provide relevant ways to improve
- Improve customer awareness through the use of effective and simple ways to communicate messages to customers for better understanding of all aspects of SWA operations and services.
- Deliver sustainable solutions plus quality products and services that meets the demand and expectations of our customers
- Strengthen the Samoa Water Authority public image with a strong customer association with our key attributes.

## Key Initiatives

### Customer Insights and Community Engagement

Customer insights inform strategy and business decisions. Ongoing tracking of customer satisfaction through our experiences is a key segment in our strategy. Customer insights will be shared with our employees to ensure awareness and ensure programs and activities are in line with customer expectations.

Community engagement processes ensure we listen to and incorporate the views of our customers and community in key projects. The extension of consultation to include local and online forums will provide more robust opportunities for feedback from and engagement with our customers prior to making important decisions.

### Customer Relationship Management

Customer relationship management is a core business capability we are developing. The introduction of Daffron Software has aided with our ability to more effectively bill our customers but also allows us to better manage customer information for improved awareness of customer behavior, improve service levels and drive business efficiencies. Enhanced self-service for customers who prefer online interactions will also be another milestone we intend to achieve in the immediate future through the refurbishment of our website.

### Operational Efficiency for Improved Service

Increased customers will no doubt bring with it many challenges. SWA will work on improving policies and systems to better manage changing customer needs and expectations to better deliver efficiencies and ensure we maintain exceptional service standards.

### Strengthen our Public Image

The refreshed Samoa Water Authority image will continue to be rolled out across customers. We understand the need to educate our customers on the aspects of our services in terms of the cost of providing water supply operations and maintenance, as well as the challenges we face. Our objective is for customers to appreciate what we do and render support through the payment of water bills and release of lands required for water developments.

A strong focus on community presentations, participation in community events, fostering strong relationships with community partners and improving community water and waste literacy will further enhance Samoa Water Authority's reputation

## IMPROVE SERVICE DELIVERY

### Objective

To continually pursue efficient, sustainable and innovative infrastructure and operational solutions to deliver quality drinking water supply and effective wastewater services that are efficient and reliable.

### Strategies

- Ensure that we provide reliable services to our customers.
- Ensure our services meets national and international standards such as for drinking water quality standards;
- Discover new ways of providing the services that are beneficial for customers while at the same time delivering cost efficiencies for both SWA and other stakeholders

- Continue to maintain best practices in assets management and assets performance.
- Improve social convenience by incurring fewer works-related disruptions, reduced network water losses and continuous improvement on odor emissions.

### Key Initiatives

#### Alternative Water Sources

Developments in the various catchments combined with recent severe dry weather conditions has resulted in dangerously low river flows at the water intakes which threatens consistency of our supply.

Rain Water Harvesting is a cost effective water supply solution and SWA encourages Rain Water Harvesting especially in areas where there is no source for pipe water supply. Our drilling team are equipped with necessary resources to enable drilling activities for areas where there is no surface water. We also continue to explore possibilities for the extension of our supply from our main treatment plants.

#### Operational Efficiency and Effectiveness

Our ongoing project with JICA for the upgrade of urban raw systems will improve our service delivery in the urban area in providing reliable treated supply for schemes in Vailima, Vaivase uta and Tapatapao. We continue to explore ways to sustain our borehole supplies for rural and Savaii areas without losing the quality of water by over cavitation. Samoa Water Authority understands the importance of reducing Non-Revenue Water and have concurred that it's necessary to continue the NRW Reduction Program. This in turn will assist in decreasing financial loss and assist in achieving financial sustainability and maintaining supply

## FINANCIAL SUSTAINABILITY

### Objective

To improve financial status and moving towards a self-dependency organization earning sufficient revenues to finance its daily operations such as new development. .

### Strategies

- Explore and exploit opportunities to commercialize innovative ideas and services and shape them to enhance the delivery of core services.
- Pursue business growth opportunities that increase our revenue base and financial flexibility.
- Enhance our reputation as an innovative service provider using better technologies that saves costs and improve efficiency of services.
- Ensure our financial sustainability by continuing to develop robust financial management systems and reporting arrangements for better control and planning of the use of funds. .
- Optimize water systems to reduce NRW as a cost saving measure.

### Key Initiatives

- More incentives for customers to pay their bills on time
- Increase the avenues and platforms where bills can be paid
- Increase awareness in the village and community level to bring about awareness of SWA and the complexity of its services
- Have stronger debt recovery policies
- Review of water tariff

## INTEGRATED WATER MANAGEMENT

### Objective



To achieve equitable and sustainable solutions in the development and management of water supply sources and developments in a coordinate and Inclusive manner.

### Strategies

- Improve transparency and public participation through the Sector and Stakeholders programmes and activities.
- Partner with our customers and key stakeholders to develop Drinking Water Safety Plans that provide sustainable water solutions.
- Promote sustainability of water resource use and conservation of water sources.
- Effectively represent the interest of our customers in policy discussions with stakeholders.
- Active Collaboration with sector counterparts to advance the interests of sustainable and integrated water management.

### Key Initiatives

Our key initiatives are approached at the network system, division and individual customer levels.

#### Promote ownership of Water as Everyone's Responsibility

Samoa is in a high risk area for natural disasters such as Cyclones, droughts, earthquakes and tsunamis. Such risk necessitates combine efforts in the management of water resources and wise use of available water supply. Customers and communities need to understand the value of water and appreciate efforts by relevant government agencies to make sure that its availability is sustained and distributed for the benefit of all.

#### Actively participate in National and Regional activities promoting water management practices

Samoa Water Authority will continue to support customer solutions and Government policy through the Water for Life Sector Plan. We will uphold our leadership in the National and Regional level in upholding best practices in water supply and wastewater management.

## ROBUST ORGANIZATIONAL CAPABILITY

### Objective

To create and maintain a conducive working environment containing the right resources to deliver our objectives through enhanced technologies, systems and processes in a financially sustainable manner.

### Strategies

- Provide the right tools, processes and systems to enable a constructive culture to encourage our employees to work to their full potential.
- Proactively improve and reassess business processes to ensure we deliver best practice performance.
- Provide our business with real-time information, enhancing effective and efficient decision-making via reliable and readily available information technology systems and services.
- Foster a reputation as an employer of choice whose customer and commercial focus will help to retain and attract capable employees enhancing productivity translating to better services to benefit customers and communities.

### Key Initiatives

#### Our Employees

Our Capacity building initiatives will support our employees in building the capabilities they need to perform successfully in their roles while offering curriculum choice and flexibility. Over the next four years, we will provide our Managers, Engineers and Team Leaders with fundamental tools, processes and systems to assist them with people management and leadership skills. We will also focus on integrating and automating

fundamental people processes including improved induction, learning and development and career path definition.

We will improve our recruitment and selection processes and integrate other practices such as workforce planning and talent and succession management to ensure an all-inclusive approach is taken when attracting and recruiting people now and into the future.

It is hoped to include a Health and Wellbeing Program to assist our people’s work through initiatives focusing on safety, mental health, and fitness.

We will also emphasize the use of our performance appraisal system to recognize and acknowledge the hard work of our employees.. This program will include an evaluation aspect to ensure effectiveness, success and continuous improvement in the ensuing years.

#### Systems

The expansion of our Internal Audit section will enhance our governance. Their activities will include defining and applying industry best practice in terms of governance and transparency in our systems and processes.

Information Technology is becoming a huge part of our operations. In the coming years we will invest in setting up devices and appliances that enable more productive operations with improved accuracy in data and information collection while bringing down costs. This will transform a platform encouraging strategy based thinking and ongoing change. Quality systems, standards, services and technology are the foundations on which we proactively build support for our business, making effective and efficient decisions to ensure the long term sustainability of Samoa Water Authority.

## FINANCIAL STATEMENTS & KEY PERFORMANCE INDICATORS.

The Authority’s financial statements for 2014/2015 have been audited and submitted to table in Parliament and is now available in the SWA Annual Report of 2014/2015. The Authority is also confident of its financial status in the next 4 years to 30 June 2020.

Given the current low water tariff, high water losses and the continuing capital works program, it is challenging for SWA to record a profit during this plan. However Financial sustainability is and has been a major objective of the Authority. SWA will endeavour to achieve the following measures to assist in becoming more financially sustainable:

- SWA hope to reduce debts owed to SWA by 15% in 2017 and 20% by 2020.
- SWA also hope to increase collection of efficiency with a goal of 85% in 2017 and 95% by 2020.
- SWA aim to have operation cost recovery at 80% in 2017 and 95% by 2020.

In addition to the above we provide below a summary of key performance pursued in previous plan period which are also relevant and further expanded for this plan period. Generally majority of KPIs were achieved with a few still ongoing and on target for achievement in this plan period.

Key Performance Indicators	ACTUAL	BUDGET	FORECAST			
	2015	2016	2017	2018	2019	2020
<b>Financial KPIs</b>						
Revenue	23,400,084	22,138,637	22,869,114	23,560,980	24,077,131	24,510,758
Expenses	24,603,334	25,452,919	24,405,994	25,373,308	26,141,859	26,686,972

Net/(Loss) profit before tax	(1,203,250)	(3,314,282)	(1,536,877)	(1,812,328)	(2,064,728)	(2,176,214)
ROE	(0.02)	(0.05)	(0.02)	(0.02)	(0.02)	(0.02)
ROA	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Accounts Receivable Days	76	89	66	71	80	69
Current Ratio	3.9	2.5	4.8	5.8	8.2	9.8
Cash Flow from customers	13,808,563	13,696,784	15,272,269	15,642,413	15,729,563	15,927,652
CSO Funding as % of total revenue	21	19	17	18	18	18
Cash Flow Balance	8,520,620	1,191,652	130,122	(146,148)	618,008	1,697,184
<b>Non- Financial KPIs</b>						
# of employees	254	276	260	265	265	265
% of households that have access to water.	81%	88%	85%	90%	92%	95%
Water Quality compliance	94%	75%	80%	85%	90%	90%
Utilisation of Wastewater Treatment Plant and system	54%	52%	60%	70%	75%	80%
Non-Revenue Water L/C/day	3430	3,150	2713	2150	2000	1,900

## SUPPORT FOR GOVERNMENT POLICIES

SWA will continue to achieve the Samoan National Drinking Water Standards to assist Samoa in achieving a healthy Samoa as stated in Priority 2 Social Policies of the Strategy for the Development of Samoa 2012-2016.

SWA will assist the Agriculture and Sustainable Tourism of Samoa through the provision of water and sanitation services which are identified as key outcomes for the Economic Sector in the Strategy for the Development of Samoa 2012-2016.

SWA also supports the Infrastructure Sector by providing sustainable access to water supply and basic sanitation, as well as wastewater treatment in the Central business sector. This will also assist Samoa with the achievement of priorities in the Environment sector.

Samoa Water Authority has assisted the National Water Sector by contributing and active participation in the implementation of the Water for Life Sector Plan. This will also be used by SWA in determining areas to which SWA should concentrate on as well as areas where SWA's resources can assist the sector in achieving its goals and objectives and encouraging a more collaborative approach.

# CAPITAL PROJECTS

The following specific projects are scheduled for implementation during the Plan period.

## ONGOING PROJECTS:

### **Water Loss Management / Non-Revenue Water Program**

NRW reduction in Upolu and Savaii continues to play a key part in our future capital works for the Authority. With the continuous increase in water demand and the threats from unpredictable weather conditions, the Authority endeavors to implement solutions to bring down water loss and unaccounted water to ensure sustainability of supply. The NRW program includes effective demand management and assets management systems through emphasis on the metering programme and replacement of deteriorated pipelines in the reticulation systems. These works is anticipated to cost the Authority \$2.3 million.

### **Mulinuu Sewer system extension**

The Mulinuu sewer system extension is currently underway and almost completed. This project will see all commercial facilities in the Mulinuu area connected to our sewer system for improved wastewater treatment and disposal. The project covers the planned Parliament building and the Court house together with all businesses and government buildings along Sogi and Mulinuu. The Authority has allocated \$1.2 million for this project.

### **Urban Raw Water Systems upgrade**

JICA Consolidated Urban untreated water supply schemes rehabilitation project is currently underway with a progress of 75% completed by February 2016. This project comprises of Treatment plant facilities installed for Vaivase-uta, Tapatapao and Vailima as well as Technical Assistance in Leak Detection and Asset Management, which will be beneficial when developing our Asset Management Plan. This project is a major undertaking within this plan period with the objective of having all water supply systems in the urban areas serviced with treated water supply. This project is anticipated to cost around \$40 million.

### **Coverage Areas Expansion**

The Authority continues to extend and improve its coverage for areas within its mandated service areas. This includes the installation of new reticulation networks to cover remote villages, communities and newly established residential areas through new subdivisions and relocation. These works covers the rural areas such as the South East Upolu and Savaii. It also includes the various new settlements around the urban areas such as Falelauniu, Moamoa and Malololelei. The Authority has allocated \$6 million for these works.

### **Reticulation System upgrades**

The major projects achieved during the last plan period included reconstruction of intakes and installation of package treatment plants for the Vailele and Aleisa water supply schemes. The Authority is now implementing major upgrades and improvements needed for the reticulation systems for these two schemes. A revised design for the Aleisa network was carried out which is now being implemented. Vailele network Phase 1 is completed, a portion of customers are now being transferred to the new line and are supplied from the treated system. These works will cost around \$1 million.

# NEW PROJECTS

## **Supplementary Chlorination Facility Upgrades**

Our Chlorination facility upgrade works continues for Boreholes in North West Upolu, Faleata and South East Savaii to equip all supplies with chlorination facilities activated and fully utilized to ensure the water supplied to rural areas and Savaii are effectively disinfected as done in the main urban water supply schemes, again this works will rely upon funding availability. The Chlorination facility upgrades is anticipated to cost \$1.5 million

## **Drilling works for Gataivai**

The Authority is now carrying out drilling works in Gataivai to construct a sustainable supply scheme for this area. Gataivai is currently receiving raw water supply from the river which flows to the village of Sili, however this supply is inconsistent and SWA have endured controversial issues regarding ownership of the source. If the drilling works is successful this borehole will hopefully improve water supply for the Gataivai community. The drilling works is anticipated to cost around \$150,000, excluding cost of the reticulation system.

## **Faleasiu uta reticulation network**

Drilling works for a borehole to provide sustainable water supply for Faleasiu-uta is now completed. The Authority plans to construct a new reticulation system for this area in the period of this plan. This project will cost around \$300,000.

## **Water supply for the Proposed Tanumalala Prison facility.**

SWA is involved in preparations and planning phase for the newly proposed prison facility at Tanumalala. The Authority is therefore considering feasible options to provide water to this facility. The total cost anticipated for this project is \$1.5m.

## **Moamoa fou subdivision.**

The construction of a supply scheme for the Moamoa-fou subdivision is currently in the planning phase. A detailed design is in place and the construction works is anticipated to progress within the first year of this plan period. This project will include the construction of a water Intake, A 110m<sup>3</sup> reservoir tank and a pipeline network. It is expected to cost around \$1m.