

**DISCLAIMER**

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**PART A**

**Tuesday 15<sup>th</sup> February 2022**

**9:30am**

**I. NOTICE FROM THE LEADER OF THE HOUSE**

Pursuant to S.O 76, a Notice from the Leader of the House was read aloud by Mr Speaker to permit the introduction of the Customs Amendment Bill 2022.

Pursuant to S.O 100(2) Mr Speaker read the Notice signed by the Leader of the House to permit the consideration of the Customs Amendment Bill under Certificate of Urgency.

**ANNOUNCEMENT BY MR SPEAKER**

Hon Speaker greeted the House and the general public and wished all of Samoa well in commencing work after the nationwide lockdown was lifted. In this regard, Mr Speaker commended the NEOC on their continuous dedication and service to keeping Samoa safe. Mr Speaker informed the House that the NEOC has urged Members to get their booster shots (3rd dose). On behalf of Parliament, he has accepted the advice and encouraged Members to get their vaccine during the lunch break at 1pm as the Health will provide a booth for Members to receive their shot.

Mr Speaker further announced that the State of Emergency Orders signed by the Ao o le Malo was enforced on 11<sup>th</sup> February 2022.

**II. PRESENTATION OF PAPERS**

A total of 5 Papers presented; 3 Annual Reports, 1 Public Accounts Report 2020; and 1 General Elections Report 2021 from the OEC

### **III. GOVERNMENT ORDERS OF THE DAY – Reading of Bills**

#### **i. CUSTOMS AMENDMENT BILL 2022 – first reading**

The Hon Deputy Prime Minister and Minister for Customs and Revenue, Afioga Hon TUALA Tevaga Iosefo Ponifasio moved the motion for the first reading of the Bill; motion seconded and approved.

#### **ii. CUSTOMS AMENDMENT BILL 2022 – second reading**

The Hon Deputy PM moved the second reading of the Bill and spoke to clarify the objects and intents of the Customs Amendment Bill.

Hon Minister clarified that the Bill essentially amends the 2014 Principal Act, to ensure the powers of the Investment Committee are provided for in the Customs Act, to allow the Committee to lawfully grant duty exemptions for imported goods into Samoa, given these projects are approved as qualifying development projects. The Hon Minister asserted that such projects include manufacturing, agricultural, fisheries and other projects approved by the Investment Committee. Hon TUALA asserted that the sole purpose of all Bills is to ensure the smooth progress of development for Samoa.

#### **Deliberations on the second reading commence:**

##### **i. Tofa Hon LAUOFO Fonotoe Nuafesili Pierre Laufo - Member for Anoamaa 2**

The Hon Member commended the Deputy PM for his clarification on the purpose of the amendment bill and elaborated that most Acts have subsidiary legislations/Regulations to enforce the provisions in the principal act, noting that regulations are not deliberated on in Parliament. Hon LAUOFO clarified on the regulations which dictates how the provisions of the Act is applied. The member reiterated that there were previous regulations made under the Principal Customs Act 2014 which include; Customs and Tourism Regulations 2010 and under this regulation there were more regulations such as the Customs Development Project which provides the power to establish the Investment Committee. This regulation started the exemption of duties on large companies that invest in Samoa through projects; it is also in this Regulation that the term “qualifying projects” “imported goods” are included in the previous Act 2014.

The Hon Member suggests the Ministry should strictly monitor whether the qualifying projects permitted are in fact operational and established as there have been certain investments brought in by certain companies that have not been developed or established. The Member further stated that he has a few concerns with the inclusion of fisheries and agricultural businesses under

‘qualifying projects’ as it may have an impact on the local fishermen and farmers, noting our local farmers and fishermen are not in a position to compete with the bigger companies at the commercialization front.

- **Susuga Hon LAAULI Leuatea Polataivao Fosi, Minister for Agriculture and Fisheries – point of clarification:**

The Hon Minister clarified that there are specific/particular companies such as poultry farming, meat companies and others. The Hon Minister asserted that it is important to clarify as the public are listening in to proceedings of parliament, therefore he must refute claims made by the Deputy Opposition Leader, as it may deter the agricultural and fisheries providers from the positive intentions of the Bill. The Hon Minister reminded the House that there are 2 large fishing companies docked in our shores and carrying out commercialization (The Big Sea and Huanan Fishing Companies).

**Tofa Hon LAUOFO Fonotoe Nuafesili Pierre Laufo - Member for Anoamaa 2 (cont.)**

The Hon Member clarified that the Fishing Companies at the wharf are only involved with the trans-shipment operations at the Matautu, it’s not doing an exchange/shipment of fisheries for exports.

**Speakers Ruling:**

Mr Speaker ruled for the Member for Anoamaa 2 to refrain from speaking on such matters as the Minister for Agriculture and Fisheries has already provided a response and Government has the final say.

**Tofa Hon LAUOFO Fonotoe Nuafesili Pierre Laufo - Member for Anoamaa 2 (cont.)**

The Hon Member raised that concerns are expressed in the House as it is during parliamentary proceedings that Hansard records are kept, noting that such records are also considered when determining and interpreting the true intention of any law that reaches the Court.

**ii. Tofa LEALAILEPULE Rimoni Aiafi - Member for Faleata 3**

The Member iterated that there are existing regulations which justify the exemption of duties on qualified projects; he then asserted that it is important to understand that regulations were adhered by the Investment Board, as there have been certain comments which implied that the previous decisions were done illegally.

**Speaker – Point of Order**

Mr Speaker again clarified that there was no mention of illegal practice during the Minister’s clarification of the Bill.

**Tofa LEALAILEPULE Rimoni Aiafi - Member for Faleata 3**

The Member noted that these were under the previous regulation so there was no need for the amendment unless it is the intention of this amendment Bill to add more projects from what has already been passed. The member noted his support for such development as it will also generate revenues for Samoa’s economy. However, the Ministry must be specific about the developments, as it is the underlying intention of Government policies to encourage local businesses to thrive and continue exporting so that they can also develop. The Member proposed to subsidize goods to avoid Samoa depending on more imported goods and encouraged local businesses to produce goods locally.

**iii. Afioga ALAIASA Moefaauouo Malagaitutogi Sepulona Moananu - Member for Anoamaa 1**

The Member noted that it is imperative to follow-up and monitor companies which have been qualified for exemption of import tax, as companies such as those in the agricultural industry take advantage of this exemption, keeping in mind that agriculture products are also tax-free. The Member also noted that the Minister for MAF mentioned poultry farming which is supported by his constituency with the understanding that it will develop families, villages and also our country, as it will reduce costs spent on imported goods if we can produce such goods locally. The Member spoke on the Investment Committee and suggested that there be a stipulated timeframe for companies to be exempted from import tax.

**iv. Afioga Hon LAUTAFI Fio Selafi Purcell - Member for Satupaitea**

The Hon Member highlighted that the duty-exemption is a strategy by the government to attract investment in the country. He further noted that there are existing regulations which also provide the relevant processes and conditions required for companies to qualify. He further stressed that these regulations are bound to change and therefore should not be fixed.

**Proceedings were set aside at 10:46am;  
and resume at 11:22am**

**MOTION – Hon PRIME MINISTER:**

Hon PM moved a motion to set aside SO 32 (1) to continue proceedings until 1pm and resume at 2pm until all Government Orders are complete; motion seconded and approved

**v. Afioga Hon LAUTAFI Fio Selafi Purcell – Member for Satupaitea (cont.)**

The Hon Member spoke on the importance of the foreign investment to Samoa's economy, noting that there are legislations which provide criteria and requirements to be followed and adhered by these investors, to ensure they operate within their limits so as to provide opportunities for our local producers. Further noted that the previous government also provided assistance for local manufacturing companies and farmers not just the foreign companies coming in and invest in the development of Samoa.

**vi. Tofa Hon TUUU Anasii Leota - Member for Siumu**

The Hon Member noted his support for the Bill and asserted that any stable Government seeks to assist its people by proposing necessary changes for their benefit. However encouraged the Government to take into consideration the advice and issues raised by the Opposition if it is relevant and to disregard any irrelevant opinions. Hon TUUU then highlighted the clarification made by the Minister for Agriculture and Fisheries on the commercialization and mechanization of the fisheries and agricultural sector which he agrees with and supports this idea especially for the youth in the agriculture sector. Mechanization will assist farmers with the workload

**vii. Afioga PESETA Vaifou Tevagaena - Member for Faasaleleaga No. 5**

The Member urged the Ministry to have stringent monitoring and follow up processes to ensure there are no corrupt practices carried out by investors and the Government. Further suggested to have contracts between certain companies and the government to have the foreign investors binding to the terms of the contract and to ensure there is no loss suffered by the Government.

**viii. Afioga ALE Vena Ale - Member for Faleata 4**

The Member queried the term "other developments" mentioned in the Bill and noted his concern with the term being too broad and vague as it opens up the Investment Committee to also consider other development projects. He then requested that the term be made more specific to avoid ambiguity.

**ix. Afioga LEAANA Ronnie Posini - Member for Safata 1**

The member noted that he cannot see any flaws in the existing regulations and the Customs Acts of 1977 and 2014 which guided the work of the previous government, therefore he queries the relevancy of the proposed amendment. Afioga LEAANA also raised concern with the involvement of agricultural and fisheries projects as ‘qualifying projects’ and asserted that an opinion by the farmers’ association should have been sought to ensure the community is aware and have a voice on such issues which may potentially impact their livelihood.

- **Susuga Hon LAAULI Leuatea Polataivao Fosi, Minister for Agriculture and Fisheries – point of clarification:**

The Hon Minister iterated that the poultry farm is intended to substitute the 70 containers of imported chicken brought into the country on a monthly basis. Furthermore, the Huanan Fisheries Company docked at the harbor was brought in with a 3 phase operation, yet the company remains at phase 1. He then commended the Deputy Prime Minister for the amendments as discussed. Hon LAAULI elaborated that it is envisaged that the poultry farm will develop out to the local community to those who can carry out this business for sustainability. Furthermore, the Minister also noted that bringing in huge companies will help Samoa’s economy, and that the initiative can assist in developing agriculture and commercial fishing, noting that there are also lands at STEC that these companies can lease, these lands can be used for these projects.

**x. Afioga Hon LAUTAFI Fio Selafi Purcell – Member for Satupaitea**

The Hon Member asserted that the statements made by the Minister for Agriculture stating that this is the first time the agriculture sector will benefit from the Government’s initiative is misleading as there were also projects that indirectly related to Agriculture that the previous government initiated to support the development of local farmers.

**xi. Afioga LUPEMATASILA Tologata Togia Tile - Member for Falelatai & Samatau**

The Member queried the introduction of agricultural development projects under qualified projects to be exempted from import tax and queried whether this can be addressed under a Ministry of Agriculture and Fisheries Act. Afioga LUPEMATASILA also queried the explanatory memorandum which provides that the purpose of the Bill is to incorporate the powers of the Investment Committee, however he could not find any powers of the Committee provided for in the amendment Bill, rather new insertions of other areas to qualify in the Act. The Member further requested for level playing field for all interested investors, noting that there are different conditions and incentives for investors. He further clarified that there was a time when the inclusion of renewable energy projects was considered under the Manufacturers Act, however this act has provisions which caters specifically for manufacturers hence the inclusion in qualifying projects for import tax exemption was paramount.

**xii. Afioga NIUAVA Eti L. Malolo – Member for Vaisigano 1**

The member expressed his approval and support for the amendment bill, specifically as his constituency are pushing for a wharf and fish market project in Asau and the provision will assist with easing the progress of this project.

**xiii. Afioga SULAMANAIA Fetaiai Tauilili - Member for Vaimauga 1**

The Member supports the amendment bill, also commended the government for pondering on the intention of this amendment for the development of Samoa. He then raised concern with the loss of revenues collected from imported projects as it will also affect the source of income for development of Samoa. The Member commented that if the Government thinks this is the right step, then it should be done. The member commended the Minister for agriculture and Fisheries for including farming and fisheries to be exempt from import duty then suggested the inclusion of all families to also be exempt.

**• Afioga Hon TUALA Tevaga Iosefo Ponifasio, Minister for Customs and Revenue – point of clarification:**

The Hon Deputy Prime Minister expressed disappointment as certain Members continue to raise negative points and concerns on the Bill while, the intention of the Bill is to provide for the powers of the Investment Committee to continue operating and carrying out its functions as provided in the Regulation. The Hon Minister clarified that the establishment of an investment committee was provided for in the Principal Act of 1977, however when it was repealed in 2014 by the current Customs Act 2014, there was an oversight and the Ministry did not provide a provision for the powers of the Investment Committee in the Act, therefore it was necessary to propose the amendment to ensure the Principal Act is aligned with the Regulations.

**xiv. Afioga FUAAVA Suluimalo Amataga - Member for Aleipata Itupa i Iuga**

The Member stated that the 2010 regulation emanated from the Customs Act 1977 (now repealed) but clarified that the 2010 regulation provided the core functions and authority of the investment committee regardless of the introduction of the 2014 Act (that repealed the 1977 act). He then raised his concern towards the integrity of Parliament as the 2014 Act was silent towards the establishment of the Committee and its roles and functions as it only mentioned in the Regulation but not the Act. The silence of the Bill also implies the silence of Parliament as this is the law making body of the nation, therefore to ensure the integrity of Parliament is upheld, the amendment is necessary. The Member also suggested that there be a provision to assist companies who have been approved as qualifying project by the government to develop their

company or businesses, to avoid an early close down of such businesses and there is a provision that the government is able to collect their revenue.

**Proceedings suspended at 12:55pm; and  
will resume at 2pm**