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PRIVATE SECTOR INFLUENCES
ON THE URBAN ENVIRONMENT IN SAMOA

By

FETOLOAI YANDALL-ALAMA

A Supervised Research Project
submitted in partial fulfillment of the requirement for the
Degree of Masters of Arts in Development Studies
at the University of the South Pacific, Suva, Fiji Island.

June 2008
Declaration of Originality

I hereby declare that this thesis is my own work and has been generated by me as the result of my own original research. Where other sources of information have been used, I have made every effort to acknowledge the sources accordingly. The thesis has not been submitted for any degree or examination at any other university.

Signed: [Signature]
Fetoloai Yandall-Alama

Date: October 2008

Statement by Supervisor

I hereby confirm that the work contained in this thesis is the work of Fetoloai Yandall-Alama unless otherwise stated.

Signed: [Signature]
Dr Miliakere Kaitani, Lecturer, School of Governance and Development Studies

Date: 11th Dec 2008
Acknowledgement

While undertaking this academic challenge, I became very much aware of the privilege of being back in school after several years of being in the work force. A privilege I owe to several institutions and persons.

My sincere appreciation to the Government of Samoa, the Government of Australia and the University of the South Pacific in Fiji for financing my studies and field work in Fiji and Samoa. I acknowledge also with immense gratitude the staff of the Center of Development Studies at the Laucala Campus, namely Dr. Vijay Naidu, Dr. Mili Kaitani, who I was fortunate to have as my supervisor and motivator, and Ms. Kesa Paulo for always being courteous and helpful.

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Thank-you all for your generous and gracious support.
Abstract

The development of the private sector as an engine for economic growth has become a central development strategy for the Government of Samoa. Since the early 1990’s public policies have focused on creating a more competitive private sector by providing an enabling environment for businesses and private enterprise. But at what cost to the environment? The Apia urban area already burdened with forty percent of Samoa's population faces numerous environmental and development problems. Pressure on the urban infrastructure due to vulnerability to natural disasters as well as uncontrolled growth in population and area caused by urbanisation is exacerbated by the lack of any history of town/urban planning. With seventy percent of businesses in Samoa already located in the urban Apia area, increased private sector activity in areas such as manufacture, production and waste production would lead to increased urban problems such as pollution, resource depletion and the deterioration of living and working standards. To minimise the impact of business activities detrimental to the environment it is important to establish an effective environmental regulatory system. Therefore it is necessary to examine the activities of the private sector with regards to the effectiveness of urban environmental laws and the agencies that implement them. The objective of this study therefore is to investigate the relationship between the private sector in Samoa and the urban environmental regulatory system. Issues such as levels and factors affecting compliance, possible roles the private sector can play in urban environmental management as well as possible recommendations are all investigated.

By obtaining the perceptions of thirty eight private sector enterprises in Apia through a questionnaire survey and on-site interviews, several interesting insights were revealed.
While most respondents viewed the urban environment as a crucial issue and saw the private sector playing an important role in its management, in the absence of a strong regulatory system and faced with difficulties in compliance many businesses showed low levels of awareness of environmental issues and minimal motivation and support for the regulatory agencies and their policies.

Recognizing the importance of private sector development as a national economic strategy and taking into account the notion that governments cannot alone resolve complex environmental problems in the urban sphere, it is recommended that environmental considerations are filtered through at the sector level so that sustainable development outcomes are achievable. This requires two policy changes. Firstly, more specific focus is required to create effective environmental indicators relating to commercial activities and their impacts. The lack of quantifiable government data on the impact of commercial activities on the urban environment make it difficult to forecast trends and create accurate specific policy. Secondly, the government and private sector partnership must be taken to a newer level focused more on institutional strengthening. The private sector requires knowledge, capacity and incentives to enable them to look more closely at their general activities, whether it is waste management, resource use, better technology or improved management practices. Tailored awareness programmes based on private sector needs and the implementation of both positive and negative incentives to motivate compliance are required. Most important is the need to create a system where compliance with environmental regulations is not just fulfilling a moral obligation, but one that makes good business sense as well.
# Table of Contents

Declaration of Originality ................................................................. i
Acknowledgement ........................................................................... ii
Abstract .............................................................................................. iii
Table of Contents ............................................................................. v
List of Tables ..................................................................................... x
List of Figures ................................................................................... x
Glossary .............................................................................................. xi
Acronyms ............................................................................................ xiii

Chapter One: The Private Sector Influence on the Urban Environment

1.0 Introduction .................................................................................. 1
1.1 Significance of the Study ............................................................... 3
1.2 Intention of the Study ................................................................... 3
    1.2.1 Aim of the Study ................................................................. 4
    1.2.2 Objectives of the Study ....................................................... 4
1.3 Problem Statement and Background ........................................... 4
1.4 The Structure of the Thesis ......................................................... 9

Chapter Two: Private Sector Development – Concerns and Opportunities

2.0 Introduction .................................................................................. 11
2.1 Private Sector Development – Within the broader Development Context ................................................................. 12
2.2 The Rise of Environmentalism .................................................... 22
2.3 Regulation and Market operations .............................................. 25
2.4 Conclusion ...................................................................................... 29
### Chapter Three: Research Strategy

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.0</td>
<td>Introduction</td>
<td>31</td>
</tr>
<tr>
<td>3.1</td>
<td>Knowledge as constructed by Society</td>
<td>31</td>
</tr>
<tr>
<td>3.2</td>
<td>Developing the Research Focus</td>
<td>33</td>
</tr>
<tr>
<td>3.3</td>
<td>Methods of Data Collection</td>
<td>33</td>
</tr>
<tr>
<td>3.3.1</td>
<td>Collection of Secondary Data</td>
<td>34</td>
</tr>
<tr>
<td>3.3.1.1</td>
<td>Government reports and documents</td>
<td>34</td>
</tr>
<tr>
<td>3.3.2</td>
<td>Collection of Primary Data</td>
<td>35</td>
</tr>
<tr>
<td>3.3.2.1</td>
<td>Questionnaire surveys</td>
<td>35</td>
</tr>
<tr>
<td>3.3.2.2</td>
<td>Face to Face Interviews</td>
<td>36</td>
</tr>
<tr>
<td>3.3.2.3</td>
<td>Participant Observation</td>
<td>36</td>
</tr>
<tr>
<td>3.4</td>
<td>Selection of Participants</td>
<td>37</td>
</tr>
<tr>
<td>3.5</td>
<td>Coding and Analysis</td>
<td>38</td>
</tr>
<tr>
<td>3.6</td>
<td>Research Limitations</td>
<td>38</td>
</tr>
<tr>
<td>3.7</td>
<td>Area of Research Focus</td>
<td>39</td>
</tr>
<tr>
<td>3.8</td>
<td>Conclusion</td>
<td>43</td>
</tr>
</tbody>
</table>

### Chapter Four: The Setting – Samoa

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0</td>
<td>Introduction</td>
<td>44</td>
</tr>
<tr>
<td>4.1</td>
<td>Geography, Urbanization, History, People and Culture</td>
<td>44</td>
</tr>
<tr>
<td>4.1.1</td>
<td>Geographical features</td>
<td>44</td>
</tr>
<tr>
<td>4.1.2</td>
<td>Urbanization in Apia</td>
<td>46</td>
</tr>
<tr>
<td>4.1.3</td>
<td>History and Politics</td>
<td>50</td>
</tr>
<tr>
<td>4.1.4</td>
<td>Culture and People of Samoa</td>
<td>51</td>
</tr>
</tbody>
</table>
## Appendices

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix 1</td>
<td>Questionnaire 1</td>
<td>126</td>
</tr>
<tr>
<td>Appendix 2</td>
<td>Questionnaire 2</td>
<td>131</td>
</tr>
<tr>
<td>Appendix 3</td>
<td>Guiding Interview Questions</td>
<td>132</td>
</tr>
<tr>
<td>Appendix 4</td>
<td>Multilateral Environmental Agreements and Regional Conventions</td>
<td>133</td>
</tr>
<tr>
<td>Appendix 5</td>
<td>Environmental Legislations, Regulations and Policies</td>
<td>134</td>
</tr>
</tbody>
</table>
List of Tables

Table 3.1 Collection and desk review of secondary data 35
Table 3.2 First method used to collect primary data 35
Table 3.3 Research methods used to collect information 36
Table 4.2 Land ownership 53
Table 4.3 Samoa Statement’s of Development Strategies 57
Table 6.1 Enterprises that responded to the questionnaire survey 75
Table 6.2 Enterprise size by number of employees 76
Table 6.3 Duration of doing business in Samoa 77
Table 6.4 Contributions to social activities 83
Table 6.5 Does the organization have an environmental policy? 90
Table 6.6 Why were you not able to attend? 91
Table 6.7 Responses on environmental impacts & mitigation measures 95
Table 6.8 Concerns regarding the provision of mitigation measures 96

List of Figures

Figure 3.1 Visit to Yazaki Samoa 37
Figure 3.2 Map of Apia – Central Business District 41
Figure 3.2 Map of Apia – Vaitele Industrial Area 42
Figure 4.1 Map of Samoa 45
Figure 5.1 MNRE Corporate structure 2006 64
Glossary

SAMOAN DEFINITIONS
Aiga - Extended family
Faa-Samoa - Samoan way of life
Fale - Traditional Samoan house
Fono - Village council of matais
Matai - Holder of traditional title, and head of extended family

GENERAL DEFINITIONS
Catchments - The area from which a river or lake collects water.
Commercialisation / Corporatisation / Privatisation - Processes whereby an activity or enterprise previously operated and owned by government under public funding progressively becomes operated and owned on a private and profit-making basis.
Customary Land - Land owned through traditional rights, often communally.
Degradation - The result of poor resource use which pollutes, damages or reduces the quality of resources available to future generations.
Development - Includes the use of land, the erection of a building or other structure, the carrying out of work, subdivision and any other land use activity.
Environment - Includes ecosystems and their constituent parts, including people and communities and all natural and physical resources and amenity values and the social, economic, aesthetic and cultural conditions of an area.
Gross Domestic Product - The money value of all goods and services produced in a country. This value is used to measure a country’s national income over a year.
Management - Controlling the way something is used or done.
Natural resource - A naturally occurring stock or supply which can be used to help meet human needs and wants.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning</td>
<td>Developing a detailed method by which something is to be done.</td>
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<tr>
<td>Primary sector</td>
<td>Activities relating to agriculture, fishing, forests, mining etc.</td>
</tr>
<tr>
<td>Private sector</td>
<td>Activities and enterprises run by individuals or groups on a profit-making basis.</td>
</tr>
<tr>
<td>Public sector</td>
<td>Activities and enterprises run by government.</td>
</tr>
<tr>
<td>Service sector</td>
<td>Activities provided on a commercial basis which does not involve the exchange of goods, for example, haircuts, banking, and professional advice.</td>
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<tr>
<td>Strategy</td>
<td>A plan to help achieve certain goals.</td>
</tr>
<tr>
<td>Subsistence</td>
<td>Producing mostly for own consumption, for example, farming which directly supports the farmer’s household without producing a significant surplus for trade.</td>
</tr>
<tr>
<td>Sustainable</td>
<td>Using a resource in such a way that its supply and quality are maintained.</td>
</tr>
<tr>
<td>Acronyms</td>
<td>Definitions</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>CBD</td>
<td>Central Business District</td>
</tr>
<tr>
<td>CLGF</td>
<td>Commonwealth Local Government</td>
</tr>
<tr>
<td>EIA</td>
<td>Environmental Impact Assessment</td>
</tr>
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<td>ESCAP</td>
<td>Economic and Social Commission for Asia and the Pacific</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
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<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GEF</td>
<td>Global Environment Fund / Facility</td>
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<td>GNP</td>
<td>Gross National Product</td>
</tr>
<tr>
<td>GoS</td>
<td>Government of Samoa</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IPA</td>
<td>Isikuki Punivalu and Associates</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organization for Standardization</td>
</tr>
<tr>
<td>LDC</td>
<td>Least Developed Countries</td>
</tr>
<tr>
<td>MNRE</td>
<td>Ministry of Natural Resources and Environment</td>
</tr>
<tr>
<td>MWTI</td>
<td>Ministry of Works, Transport and Infrastructure</td>
</tr>
<tr>
<td>NEMS</td>
<td>National Environment Management Strategy</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>PUMA</td>
<td>Planning and Urban Management Agency</td>
</tr>
<tr>
<td>SES</td>
<td>Samoa Statement of Economic Strategy</td>
</tr>
<tr>
<td>SDS</td>
<td>Samoa Statement of Development Strategy</td>
</tr>
<tr>
<td>SOPAC</td>
<td>Secretariat of the Pacific Islands Applied Geosciences Commission</td>
</tr>
<tr>
<td>SUNGO</td>
<td>Samoa Umbrella for Non-Government Organisations</td>
</tr>
<tr>
<td>TGA</td>
<td>Tinai, Gordon and Associates</td>
</tr>
<tr>
<td>UPMPT</td>
<td>Urban Planning and Management Project Team</td>
</tr>
<tr>
<td>USP</td>
<td>University of the South Pacific</td>
</tr>
<tr>
<td>VAGST</td>
<td>Value Added and Goods and Services Tax</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
<tr>
<td>WSSD</td>
<td>World Summit on Sustainable Development</td>
</tr>
</tbody>
</table>
Chapter One

The Private Sector Influence on the Urban Environment.

1.0 Introduction

Many Pacific Island countries are implementing economic and public sector reform programs that promote the opening up of their domestic markets to outside trade. This requires implementing national policies to liberalize and deregulate their institutional structures and economies. Such reforms also promote the increased involvement of the private sector in all commercial activities of the country and as such, governments are expected to provide the enabling environment required by the private sector to operate in. The intention being that the growth of the private sector in terms of numbers would lead to mass employment which in turn would reduce unemployment and poverty levels in each country, while improving the quality of life for all Pacific Islanders.

Since Samoa began it’s economic and public sector reform program in the mid 1990’s it has been committed to increasing the role of the private sector in the economic development of the country. It was planned to use the private sector as an ‘engine’ to boost the economy, resulting in an improved quality of life for all Samoans. Despite this noble quest for an improved quality of life, questions need to be asked regarding the compromises and consequences that this growth would exert on Samoa’s environment, particularly in the urban environment where 70% of all economic activities take place. As stated by the Asian Development Bank (2004a:15),

“when priority is placed on achieving economic growth, environmental management becomes largely perceived as a concern that can be dealt with in the later stages of economic development”.
It will be argued that at the time the reforms were initially implemented, the environmental regulatory system was not ready to manage and control a more intense and competitive private sector environment. Although there have been some improvements to date in the environment field with the establishment of the Planning and Urban Management Agency in 2002 and the passing of the Environmental Impact Assessment Regulations in 2007, the regulatory framework for urban environmental management is still under resourced and ill equipped to resolve the majority of business induced environmental impacts that currently plague the urban area.

With urban environmental regulation hindered by the lack of resources, government cannot steer the course towards the elusive goal of sustainable development alone. It is thus imperative that other partners within the urban environment such as the traditional authorities, like the village councils and various churches, as well as the private sector are examined to determine what possible roles they could fulfill to assist. As the government’s “new partner in economic development”, the private sector can play a vital role, and therefore we should examine and determine the relationship and influences that the private sector have on the urban environment, in terms of environmental practices, impacts, and potentialities. The purpose of this study therefore is to examine the influences of the private sector on Samoa’s urban environment.

This chapter provides a basis to understanding the significance, aim and objectives of the study. A problem statement is also provided in this chapter to provide additional background information regarding the study. Lastly, the chapter provides an outline of the structure of the thesis.
1.1 **Significance of the Study**

The study hopes to add value to existing research, data and information pertaining to Samoa’s economic reforms, its private sector development strategy and the private sector’s relationship with the regulatory aspects of environmental management. More specifically, the study hopes to make four important contributions to the development endeavours of Samoa and other Pacific Island states that are currently promoting private sector growth.

The contributions include:

(i) Examining an area that has not been fully researched to date in the region, particularly in the context of the linkages between the environment and private sector development.

(ii) Raising awareness of certain issues that need to be examined before Samoa’s economy opens up further to more rigorous private sector competition.

(iii) Examining the potential role of the private sector in environmental management and sustainable development of the region.

(iv) A preliminary investigation of business perceptions and practices in Samoa that either harm or benefit the environment and which could be used to formulate a more inclusive public policy.

In addition, the obtaining of any detailed information regarding the above would be vital to all development players that are promoting, facilitating, funding, and regulating individual countries reform agendas. The next section discusses the intention of the study by stating its aim and objectives.

1.2 **Intention of the Study**

This section will state the aim and objectives of this study.
1.2.1 Aim of the Study

The aim of this research is to investigate and discuss the influences of the private sector on the urban environment in terms of its environmental practices, impacts, and potentiality. Although the private sector plays a critical role in Samoa’s economy in terms of its contributions to the country’s Gross Domestic Product, the social and environmental challenges that may arise from increasing the productive capacities of this specific sector requires a more detailed investigation. Only then with more information and understanding of how the private sector operates in relation to the urban environment can a study on this area be useful to national planners.

1.2.2 Objectives of the study

The objectives of the study are to:

(i) Analyse private sector perceptions on the urban environment

(ii) Investigate how the private sector is currently contributing to environmental management and how they can positively influence the environment.

(ii) Suggest recommendations for more effective commitment from the private sector in environmental management.

1.3 Problem Statement and Background

Environmental degradation has become a real concern throughout the Pacific with several authors raising their concerns on the current state of affairs (Connell & Lea (1995), Jones (1995), Storey (1999), Storey (2000), Kohlhase (2006), Mohanty (2007)). Samoa is no different and has serious problems in its urban environs of Apia. Environmental problems ranging from inadequate waste disposal to amenity complaints have long been a problem in
Samoa and these problems are exacerbated by the fact that Apia is the hub and centre of the majority of Samoa’s economic functions. In effect, 70% of Samoa’s economic activities occur in the Apia urban area including 75% of all public and private construction works (GoS & Treasury Department (2002a), GoS, Virtual Consulting Group & the MNRE (2003:27)). Topped with an urban population of 38,836 in 2001, Apia continuously experiences a wide range of conflicting land use activities that have been largely uncontrolled until the enforcement of the Planning and Urban Management Act in 2004. Irrespective of the enactment of this historical piece of legislation, it was observed that the continual expansion of urban Apia in both population and building numbers continues to create;

“a situation where urban services are stretched and quality of life indicators such as public health and environmental concerns are highlighting the need for positive change”

(GoS, Virtual Consulting Group & the MNRE 2003: 45)

In the mid 1990’s the government of Samoa implemented a national economic strategy that brought sweeping changes to previous public policy and development directions of government. This national economic strategy saw the government implement a wide range of policy reforms to transform the private sector into an engine for economic growth for the development of the country. Emphasis was placed on the need to create an enabling environment more favourable to profit generating aspects of the private sector. This resulted in major changes to fiscal policy such as financial liberalization, the privatisation of government services and the provision of new business incentives and schemes, all of which aimed to nurture and facilitate the growth of the private sector.
Although it is impossible to provide a definitive list of possible outcomes caused by increasing and enhancing the private sector, at the very least it can be foreseen that a larger and more competitive private sector would result in:

- new forms and types of developments,
- more intense use of natural resources,
- more competitive marketing strategies,
- more specialized jobs and technology,
- more aggressive use of labour and capital,
- more demanding stakeholders,
- higher levels of imported goods,
- increasing levels of waste products and pollution sources, and
- increasing amenity complaints.

To manage these possible problems we have an environment regulatory system that is under resourced and is still trying to adapt to all these changes. At the time the reforms began, the environmental regulatory system was still in its infancy and the increasing number of developments occurring in the Apia urban area were managed and monitored by a variety of different government departments such as the Department of Lands, Survey and Environment, the Public Works Department, and the Department of Health. Although a central urban management authority was eventually created with the formation of the Planning and Urban Management Agency (PUMA) in 2002 and the passing of the Environmental Impact Assessment Regulations in 2007, the regulatory framework for environmental and urban management is still largely ill prepared to resolve the majority of urban environmental impacts derived from business operations. Given the lack of
resources and the daunting problems faced, the Government of Samoa would have to seek the assistance and cooperation of its urban stakeholders.

At a Ministerial Conference on Environment and Development in Asia and the Pacific, held in Japan in 2000, it was recognised that governments could not steer the course towards sustainable development alone and that other stakeholders were also needed to contribute towards urban environmental management (ESCAP 2000). In Samoa, stakeholders such as the traditional village councils and the churches were identified and their authoritative roles were studied as possible tools to implement environmental policies (Storey (2000); GoS, Virtual Consulting Group & MNRE (2003), Kohlhase (2004)). However, although the private sector had been heralded as the major partner to government for economic growth, its role in the formulation and the implementation of environmental and urban planning policies was not given much scrutiny.

Although other important stakeholders, such as the state (government) have also been known to contribute to environmental degradation (Klein & Hadjimichael 2003: 136), however, due to the limited scope of this study, we are limited to focusing on the role of the private sector, and in particular the capacity of the sector to control the ill effects of doing business in a fairly weak regulatory system.

As a consequence, several important issues are raised that this study aims to address. For example, is Samoa’s current environmental regulatory framework prepared to address the private sector’s new role as the ‘engine of growth’? Does the private sector have the capacity and know-how to minimise their impacts on the environment? Does the 2005-
2007 Statement of Development Strategy for Samoa clearly articulate the importance of the environment in all development efforts, particularly private sector expansion?

While undertaking this study, the researcher was advised several times that businesses would always find a way to reduce their operational costs even if it meant turning a blind eye to the ill effects of their activities. As outlined by the ESCAP (2000), while

“most industries do not want to contribute to environmental degradation, few industries respond as good citizens to information about the environmental consequences of their business activities”.

However, several literatures have noted that attitudes are changing and businesses are becoming more aware of global and local environmental issues (Perry & Singh (2001), International Finance Corporation (1998) & (2002)). Although this is evidently more apparent in developed countries, there are high hopes that the same would also occur in the Pacific region. Part of the study will therefore also reflect on the above issue.

Having worked in the Ministry of Natural Resources and Environment (MNRE) for more than ten years, the researcher has noted the problems caused by the conflicting tasks faced by government agencies in trying to regulate planning and environmental laws while at the same time take into account national government objectives to promote private sector growth and investment. These often conflicting tasks frequently result in a compromise of Samoa’s planning and environmental regulatory framework when projects and developments (both private and public) that are often non-sustainable are approved on the basis of the projected economic benefits.

While some efforts have been done in the past to mainstream environmental considerations into public policy (Hay & Suaesi 2006), this has yet to be done for the private sector. This
study therefore provides an opportunity to also tackle the private sector component of environmental management in a more detailed investigation. Accordingly, this may lead to an understanding of what is further required to streamline public and private sector processes as well as develop a more balanced regulatory framework that can cater for both private sector development and environmental concerns and notwithstanding the cultural stability of Samoa.

1.4 The Structure of the Thesis

The paper is divided into seven chapters. The first chapter introduces the research topic as well as the purpose and objectives of the study. Moreover, it highlights the research questions that the study aims to address as well as brief background information concerning the study. Chapter Two reviews relevant theories and ideologies that have led to the promulgation of the private sector as an economic strategy. The chapter also discusses relevant environment concepts and options that have been promoted by international and regional bodies and which have direct significance to national planning and economic development. This is followed by chapter three outlining the research methods that were used by the researcher to collect relevant data and information, as well as a discussion of the researchers experience out on the field.

The fourth chapter provides a brief overview of Samoa’s physical and social economical features such as its history, culture, people, and economy. The chapter also provides more detailed information regarding the urban environment of Apia where the research was undertaken. The chapter will also elaborate on the economic reforms that the country has embarked on since the mid-1990’s. This is crucial to understanding the context with which the research was undertaken. The next chapter (chapter five) discusses the urban and
environmental frameworks that exist to date and which are currently steering Samoa’s future development path. It highlights also the constraints that the urban regulatory agency faces.

Chapter Six provides an analysis of data and information obtained from the respondents as well as information obtained from official government reports and documents. Furthermore, the chapter discusses the findings of the research. Finally, the concluding chapter (chapter seven) provides concluding remarks regarding the objectives of the study as well as the results of the study. The chapter will also discuss some concerns and shortcomings of the study to allow for further research studies. The chapter provides some recommendations on how environmental considerations can be mainstreamed into private sector development activities as well as offer suggestions on how to improve the capacity of both the private sector and government in urban environmental management.
Chapter Two

Private Sector Development: Concerns and Opportunities

2.0 Introduction

“The presence and value of an indigenous private sector in developing countries needs enhanced recognition. Its role in development has not been well explored and its dynamics are still too little understood.” (Clausen A. W. 1985).

The link between the private sector and the environment is one that has raised enormous levels of debate. In early economic development theories the environment was not a major concern until serious industrial related environmental problems such as acid rain and global warming were uncovered. With the continued importance of high private sector participation in economic development strategies, there are now conflicting views regarding what the operations of the private sector should be focusing on in terms of the environment. Pessimistic views look at controlling the negative environmental impacts induced by the private sector’s continuous search for profits. The more opportunistic argument is that the private sector as a market mechanism can control the use of the world’s natural resources as well as create technological advances that can mitigate or eliminate environmental problems.

This chapter endeavors to explore the above relationship and in many cases how it evolved into its current form. To understand the context with which the private sector has been promulgated of late, it is important to explore two key inter-disciplinary areas that provide both a historic and functional perspective on this relationship. Development Studies and
Development Economics, illustrate the connections between private sector development and classical and neo-liberal economic theories.

In reviewing these topics we will also delve into three related areas, namely: the emergence of environmentalism and the linkages between economic development and environmental problems; the contrasting pessimistic and opportunistic views concerning the role of the private sector as a polluter and savior of the environment, but more so in the urban sphere where the majority of private sector activities occur; and lastly the need for effective environmental regulation and a cooperative private sector if an improved urban environment is to ensue.

The subsequent section focuses on past development approaches to provide an understanding as to why the private sector is currently being heralded as the new answer for economic growth and poverty alleviation. The section firstly provides a brief testimony of the effectiveness of the private sector in capitalist production, and then looks at past theories regarding development and economic growth.

2.1 Private Sector Development – Within the broader Development Context

Private sector development has historically attracted a lot of foreign capital investment in third world countries with subsequent descriptions of the great potential for generating vast amounts of capital (Frank (1967), Clausen (1985), Haynes (1996)). Past performances of the sector in third world countries shows the effectiveness of foreign private investments in capitalist production (Frank 1967). However, past behaviours of the private sector can also be used to illustrate large scale environmental degradation and the mass destruction of natural resources and habitats (Diamond 2005).
In a 1985 speech, Clausen, a former president of the World Bank and International Finance Corporation while delivering a speech on the role of the private sector in the economies of developing countries questioned why the position of the private sector in development forums was not being given due recognition considering the vast contributions of the sector to third world economies. According to Clausen (ibid), millions of pounds of British private finance had been invested in developing countries in the 1900’s. On the other hand, and as reported by Frank (1967), billions of dollars in profits was obtained by the United States from the return of their private investments in Latin America. To both Clausen (1985) and Frank (1967), these examples are testimony to the effectiveness of the private sector in investing and accumulating foreign capital. It is thus no wonder that even after such a substantial period after their creation, the Bretton Woods Institutions, namely the World Bank and the International Monetary Fund are still advocating the use of foreign direct investments to boost national economies.

The efficiency of the private sector in making profits however has also had lasting repercussions on many non-western societies that were exposed and influenced by some of the activities and externalities of these private investments, some of which include capitalism, social classes (Naidu 1991), commodification, industrialization, dependency, materialism, inequitable wealth, diseases, environmental degradation and pollution. Todaro (1982), Giddens (1990), Naidu (1991) and Chang (2002), individually discussed how such activities transformed many traditional economies into dual economic societies that sell their wares in urban markets (domestic and foreign) while at the same time retain their subsistence and customary arrangements.
Such transformations were considered part and parcel of economic development theories such as the Dependency theory, the Modernization theory and Rostow’s Economic growth theory. The Dependency theory emerged in the 1960’s and was discussed by some authors including Frank (1967), Rodney (1972) and Schuurman (1993). It focused on how industrialized societies became dependant on raw materials sourced from third world countries and which resulted in these affluent nations taking as much as they wanted while leaving the non-western societies poorer and underdeveloped in the process. The Modernization theory on the other hand described a progression towards becoming westernized (modernized) where third world countries wanted to adapt western technology, administration, social structures and human values that were non-indigenous to their own. Similarly, Rostow’s (1960) economic growth theory implies a linear shift of economies through a five stage process in order to become modern. The first of which is the primitive or traditional stage while the final stage is the age of mass consumption. Todaro (1982) further implied that this linear development growth towards modernity needed the right quality and mixture of savings, investment and foreign aid for capital accumulation and country Gross National Products (GNP) to increase.

By following these classical approaches to development, countries are expected to move up the development ladder to become successful and booming economies, leading towards the eventual distribution of benefits to the masses in rural areas. Given the varying views of what development constitutes, many authors have linked development per se to economic growth, modernization, distributive justice, a socio-economic transformation, a successive linear process and or a multidisciplinary process that includes all of the above (Rostow (1960), Mabounje (1980), Wilson and Wood (1982), Todaro (1982)).
Despite the assurances of western capitalist societies, most newly independent third world countries that adopted Westminster styled governments, legislations and economic plans copied from abroad, “failed to achieve the elusive goals of economic independence and economic development” (Forbes: 1984). Some authors (Chang (2002) and Seers and Joy (1971)) blamed the Modernization theory as the cause of many of the problems in the third world. Chang (2002) argued that the problem with the Modernization theory lay in the fact that newly decolonized states could not fully grasp the pace of western economics. The rich countries had become wealthy by forcefully taking many of the third world countries’ natural resources without justifiable payment. Chang emphasized that the “rich countries did not make their way (to being rich) by pursuing the kinds of policies that they enjoin upon the poor countries”. In a similar statement, Seers and Joy (1971:8) observed that;

“It is easy to fall into the trap of assuming, usually implicitly, that analyses and prescriptions derived from the experience of rich countries are also applicable to countries which are not merely poor, but poor in a very unequal world.”

In most third world countries, the promised growth of capitalism, did not eventuate except in a few instances, and even then, only to the benefit of a few social classes (Naidu (1991), Stiglitz (2006)). Without the trickle down effect occurring as promised by the economic growth theorists, the social aspects of third world societies suffered. Health, education, infrastructure, environment and culture became exposed to new risks such as increased levels of crime and unemployment, poor housing, inadequate utility services, low income levels, and uncontrolled developments and urbanization. Poverty levels and national debts also increased (Chenery et al 1974, Stiglitz (2006)) including environmental problems that could not be resolved by traditional means. This resulted in many third world countries
acquiring additional loans from the World Bank and the International Monetary Fund to revive national economies (Stiglitz: 2006)

In response to the above bleak observations, several authors (Scott (1995), Edwards (1989), Kothari (2005)) noted that classical economic theories were failing. Realization that economic growth was not advancing the development status of third world countries became more obvious when, according to Schuurman (1993), some of the following observations were noted;

- The gap between the poor and rich continued to widen and that developing countries were unlikely to bridge that gap using the economic strategies and policies that they were using.
- Developing countries were occupied with short term policies aimed at keeping their heads above water when in debt. The policies were not taking immediate to long term goals into consideration.
- Awareness that economic growth was having a catastrophic effect on the global environment and that the possibility of an ecological disaster was not far off, and that,
- Socialism as a viable means of solving underdevelopment was being de-legitimized.

In response to the growing discontent of Development theories in relation to the emerging trends of poverty and underdevelopment, new development theories such as the structural internationalist theories began to surface in the 1960’s and 1970s. The structural internationalist theories focused on the institutional and economic rigidities of state-led
administrations, as well as the large number of dual economies and societies within and among countries of the world. Emphasis was placed on policies needed to alleviate and eliminate poverty, diversify employment opportunities and reduce income inequalities. The logic behind these attempts at new theories lay in the suspicion that national economies were being poorly managed by the states.

This eventually led to the calls for the privatization of certain state functions as well as radical reforms for the public sector. Aulich et al (2001), Amosa (2003), Timeon (2006), Codd (1991) and the Management Advisory Board of the Australian Public Service (1992) claimed that state-led administrations (government-led) were ineffective due to three reasons. The administration was too confined and was not willing to share responsibilities with outside parties. The fiscal policy was too broad thus making it difficult to service and implement and the administration was too focused on processes and inputs, rather than being goal specific. With these observations, it was obvious that ‘development’ and economic growth led to stagnation and that the whole state-led administration model needed an overhaul to boost the various economies.

In most third world countries, including the Pacific Island countries, state governments have always been dominant contributors to their economies. This early dominance was seen as inevitable and justifiable due to the fact that during the decolonization period, the private sector was small and mostly comprised of minority elite private sector classes. The minimal involvement of the private sector in industries that require large capital to set up, led to the states taking it upon themselves to provide utilities, infrastructure and public services such as health and education. Hobsbawm (1996) noted however that state-led administrations were often poorly equipped to provide clean water, education and health
care, let alone accumulate savings to pay their debts to the International Monetary Fund and the World Bank.

With no quick solution available to third world states, Pacific Island countries for example began to adopt the neo-liberal policies of New Zealand and Australia based on the doctrines set out in the Washington Consensus. These policies advocated the liberalization and opening up of markets to trade. In order for liberalization to become effective, states were expected to reduce trade restricting practices such as high import duties and difficult importing procedures which in turn would lead to the private sectors all over the world producing more efficiently due to the introduction of increased global competition and with the intention of trading locally, regionally and globally. The liberalization theory was promoted by Adam Smith, a British economist and founder of modern economics.

For most low income countries, there was little choice but to restructure the whole state-led public administration system (World Bank 1995: ix). According to Leys (1995:7) the traditional public sector models needed to re-evaluate their macro-policies so that they could move from being traditionally confined to being more managerial in nature. With such views becoming more prevalent in the 1980’s, the role of the state in economic development was becoming less predominant, while in contrast, the private sector was enjoying a newer status as a partner in economic development. The Asian Development Bank (2004b:15) and Lovei and Gentry (2002:1) reiterated that benefits from a private sector driven economy would accrue over time to advance the state of the economy which in turn would result in improved poverty conditions.
The private sector contributes to poverty reduction in two ways. According to the World Bank (1995:ix), first, the sector enhances competitive forces and competitiveness, and which in turn produces growth and jobs, and secondly, the divestiture of certain activities to the private sector allows governments to reduce waste, and “gain the fiscal space needed for greater investments in the social and infrastructure sectors”. According to Hodge (Cook et al 2004: 129), a review of reforms in Venezuela revealed that approximately 80% of people living in poverty actually improved their situation by securing jobs with the private sector.

As economic growth is part and parcel of economic development, ‘private-sector growth’ is also part of a whole public management reform agenda that has been sweeping the Pacific in the last three decades. Whether countries reform their economies voluntarily or as part of a conditionality for additional loans from international financial institutions, such as the World Bank and the International Monetary Fund; the reasons behind the reforms have been wide ranging, although the main objective has been to ‘accelerate economic growth’ by implementing various policies that would:

- maintain a stable macro and fiscal environment;

- create a more efficient public sector that focuses on core administrative functions; and

- create a more efficient private sector that would drive the economy.

Commonly employed policies include: fiscal policy discipline, redirection of public spending, broadening of the national tax base, increasing trade liberalization, encouraging foreign direct investments, privatizing state owned enterprises, deregulating functions of
the state and ensuring legal security for property rights. These would all in turn provide a competitive enabling environment for the private sector to excel in.

Moreover, government’s commitment to some policies is seen by some as indicators of a more open economy willing to implement reforms. Van der Hoeven and Sziraczki (1997:2) expressed that the very act of privatization and liberalization “is often used as a signal to domestic and international markets that a new economic climate is about to be established”, a climate that is growth oriented. As such, a new set of actors are expected to invest more capital and resources into the local market (Lovei and Gentry 2002:4). Stiglitz (2006) however is cautious of countries opening up their economies through liberalization and privatization. It is observed that although countries open up their markets to trade and private investments, there is no guarantee that countries will reap the fruits of the global market that the private sector is also now driving. Stiglitz (ibid) further argues that while a country’s GDP may increase, it would not be sustainable enough to provide equitable wealth and that in most cases, the country’s population may even end up being in a more impoverished state than before with the added problem of a destroyed environment. In response the neo-liberalists have argued however that “when growth has made people wealthy enough, they will have the funds to clean up the damage done by growth” (Daly 1993). This would tend to assume however that any damage caused to the environment can be fixed.

Much like the promises of earlier economics and development theories, the assurances by neo-liberalists that affluence would follow economic reforms have also yet to materialize as several countries have experienced downturns in their social well-being. In response to national economic hardships, numerous states, including Argentina, Venezuela, Mexico,
Chile, Malaysia, Indonesia, Bangladesh, Pakistan, and Hungary have implemented neo-liberal policies (Kikeri (1992), Lovei and Gentry (2002)). The results of these policies however have been mixed, with some countries accumulating great wealth and some becoming poorer than before (Stiglitz 2006). In Chile for example, it was found that after the privatization and liberalization of the collective transport industry in Santiago, the inner city air pollution exceeded four times the red alarm level and that in the early 1980’s, 30% of the households were unable to pay for their new water and sanitation tariffs (Burgess et al 1997:84).

In the Pacific, countries that have adopted neo-liberal policies through their recent reforms include Kiribati, Cook Islands, Fiji and Samoa (Amosa 2003). In Samoa’s case, this ‘market oriented’, ‘profit focus’ and ‘neo-liberal’ economic reform program began in the mid 1990’s when the country accumulated a debt ratio of 90% of its GDP in the early 1990’s. The results however of the reform program are still largely inconclusive as there are still several actions that government needs to implement such as, the privatization of several state owned enterprises. A more detailed description of Samoa’s reform program is discussed in chapter four.

Although poverty still remains a contentious issue despite the increase in privatized activities and liberalized economies (Lane 2006:1, Stiglitz 2006) the environment situation has not progressed any better. In a stark warning about the environmental effects of liberalization, Polanyi (cited in Levitt 2005:171) warned that the neo-liberal institution cannot,

“exist for any length of time without annihilating the human and natural substance of society, and that it would physically destroy man and transform his surroundings into a wilderness”.

21
The next section will discuss the rise of environmentalism as a response to the failure of market forces to account for their environmental and social costs.

2.2 The rise of Environmentalism

The emergence of environmentalism in the 1960’s was inevitable given the increase in various environmental concerns such as acid rain, deforestation, commercial fishing, oil shortage, pollution, smog and global warming (Curran 2001). Environmental groups were established (Green Peace, World Wide Fund for Nature), books were published (The Limits to Growth by Meadows et al in 1972, Our Common Future by the Brundtland Commission in 1987) and environmental accidents became widely publicized (the Bhopal accident in India, the Chernobyl nuclear accident in 1986). These all contributed to increasing global awareness on environmental issues and problems.

As a result of this increased awareness, several international conferences were organised bringing together heads of governments, non-government organisations, academics, scientists and corporations in an effort to discuss and commit to effective strategies that would minimise the implications of economic developments on the environment. Examples of these conferences include the 1972 Stockholm Conference on Human Development, the 1975 Convention on International Trade in Endangered Species, the 1990 Second World Climate Conference, the 1992 United Nations Conference on Environment and Development, the Earth Summit 1997, the Kyoto Conference 1997 and the 2002 World Summit on Sustainable Development. Despite these attempts at international coordination however, Stiglitz (2006) and Lane (2006) make reference to the lack of a more effective global coordinating mechanism to consolidate environmental priorities and policies.
In 1987, the Brundtland Report (1987:40) exposed the deficiencies of neo-classical economic theory and practices in the allocation of resources via market forces and introduced ‘Sustainable Development’ as a new development concept. Defined in the same report, sustainable development was described as the “economic development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. Other authors such as Solow (1991), Pearce and Atkinson (1995), drafted their own versions of the term as a uniform definition for ‘sustainable development’ could not be agreed upon. This was mainly due to the various interpretations of the word ‘needs’ as it was seen that the needs of rural communities were considered different from the needs of urbanised societies, much like the needs of developing countries from the developed countries.

Further discussions on the environment highlighted varying views on the quantity of natural resources available for human consumption and use. Neo-Malthusian theorists were pessimistic in nature as they correlated the inevitable decline of the world’s natural resources to the world’s rising population. The guarded pessimists on the other hand were more concerned about the ability of the earth to absorb pollution, whereas the cornucopian theorists saw the markets as being more than capable to compensate declining natural resource stocks through exploration and technical progress.

These differing perspectives highlight the stark differences in opinion currently held on the environment. Two schools of thought include; the belief that market forces are the destroyer of the earth’s natural resources and environment, and the view that market forces as both a tool and an opportunity to solve the world’s environmental problems. This latter
perspective is based upon an assumption that technological developments will succeed in achieving most, if not all of the changes needed to direct earth towards sustainability. This would include setting the right price for scarce resources and creating a new environmental industry that provides products and services to aid pollution control as well as provide new environmentally friendly products (Shrivastava 1993:28).

A case often used to support this claim is Japan’s advancements in technology. Japan was once known in the 1970’s as a polluted industrial country with no control on economic growth and developments. In the space of a decade, Japan became a world leader in the application of technology to environmental problems. This change came about due to changes in laws, societal values, political pressures and corporate initiatives. More importantly, it portrays that the private sector as the representative of the market mechanism in Japan is capable of having both negative effects and beneficial attributes that can greatly influence the environment.

However, the optimistic view is not shared by many of the world’s leading economists. In an interesting interview of 28 leading economists and Nobel prize winners from around the world, Ravaioli (1995) received a wide range of perspectives on the impact of economic growth and market forces on the environment. From the research, it is reported that not all of the respondents agreed that environmental problems are caused by economics and that population growth, politics, and technology also had a part to play in environmental degradation. Most of the economists however agreed that market forces could not solve all of the earths environmental problems and that the visible hand of governments to guide developments and enterprises, through regulations and policies was crucial. Two top economists, Leontief and Hahn during their interviews with Ravaioli stated
“I visualize society as a sailing boat where enterprises are the sails that move the boat and are essential but also need government with its hand on the rudder”

(Leontief in Ravaioli 1995:36)

“There is nothing in economic theory to suggest that the market could solve problems such as the environment, markets can improve the situation through policies such as taxation and licenses but it is government that is making policy decisions”

(Hahn in Ravaioli 1995:37)

Although critics, such as Adam Smith and Robert Nozick disagree with the involvement of the state in market forces, others agree that market forces fail to take into account their environmental costs and as such needs to be regulated. The crux of the problem, as stated by Bresso (ibid:56) lies with growth in production because “there is no such thing as an economic activity with zero impact on the environment”. In a similar comment Giddens (1971) observed that:

“social costs resulting from corporate activities may be understood in the context of the operation and failures of capitalism as a system of production”

The following section looks at environmental regulation and mainstreaming as relevant strategies in tackling urban environmental problems. Effective coordination will also be discussed with specific focus on the role of the private sector.

2.3 Regulation and market operations

With the emergence of environmentalism in the 1960’s and 70’s, the United States in response formulated various regulatory mechanisms to counter their emerging environmental problems such as those derived from the use of agricultural and industrial chemicals (Curran 2001). In the United Kingdom specific regulations were made in the
1980’s to cover the disposal of batteries, ban CFCs in aerosols and introduce lead-free petrol (ibid:18). Therefore, taking the lead from two of the most developed countries in the world, many countries followed suit to develop and implement similar policies. However, unlike the more affluent and developed states, many third world countries have struggled to enforce their environmental regulations and policies due to serious budget and resource constraints. It is thus unfortunate that in trying to find a balance between economic growth and environmental costs in the urban sphere, there are always stakeholders that want little to do with urban and environmental regulation. Devas and Rakodi (1993:48), argue that

“urban planning and management are not about producing a technically perfect plan or devising a policy to bring about an ideal situation in which all will benefit equally, rather, it is about assessing conflicting claims and making choices”

In this respect, and due to conflicting interests, it has been recognised that many businesses refuse to coordinate with environmental authorities for fear of slowing down their plans and development activities (Lovei and Gentry 2002:4). Although there are various reasons for delays, it has been noted that several countries have “complex, costly and time consuming vetting and approval systems which discourage both legitimate investors as well as the less credible among them” (The Asian Development Bank (2004b:54). Some businesses have also complained that the multifaceted nature of the regulation system creates excessive costs that hurt business productivity and profits and that they are mostly time consuming procedures (Prakash & Pototski 2006:6). It is obvious from the above observations noted by Lovei and Gentry (2002), ADB (2004b), Prakash and Pototski (2006), that regulations are difficult to enforce as they are invariably seen by many in the private sector as a hindrance to developments and business operations.
The complexity and severity of regulatory systems vary from country to country depending on the comprehensiveness of their laws, political interference, public participation, business cooperation and the regulatory authorities experience and confidence to enforce and maintain the systems. Many systems include command and control regulations which are legal requirements under law and may include the setting up of environmental performance standards, guidelines and codes. Other provisions require authorities to prescribe pollution control technologies, equipment standards, emission standards, emission charges or transferable emission permits. Some provisions authorise officials to request the preparation of environmental impact assessment reports and environmental management plans depending on the nature and scale of commercial developments and activities. Due to the varying levels from country to country of both legal restrictions and enforcement capabilities, Utting (2000:19) identifies that a trend in the world today is the movement of ‘polluters’ from regions with strict regulatory systems to regions where regulation is lapse, weak and ill defined. These weaker regulatory systems have been aptly referred to by some as pollution havens (Lovei and Gentry: 2002).

Prakash and Pototski (2006) maintain that the only sure way for command and control regulations to work is when: government officials’ have perfect information to work with; agency conflicts are non-existent; and lastly, transaction costs are absent. In reality however, these ideals are virtually non-existent in developing countries that have minimal resources to start with. Topped with institutional constraints such as staff shortage, high staff turnover, lack of capacity and inadequate tools, regulatory agencies become ineffective in many developing countries. Prakash and Pototski (2006) further maintain that,
“there is no assurance that a perfect law can be drafted to serve a broader social good because there is always the question of whether governments have adequate and sufficient resources to enforce complicated and detailed laws”

In consequence and as expected, governments (regulation) are apt to fail.

With command and control regulations not being as effective in many developing countries, and in acknowledging that governments cannot do it alone, three alternative methods have become popular to date with regards to environmental and urban management. Innovative environmental and urban policies now require the:

(i) complementary support of the private sector and civil society to take ownership and responsibility of the consequences that affect the environment.

(ii) mainstreaming of environmental considerations into all development policies of government including also the individual policies of private sector members, civil society groups and communities.

(iii) implementation of market-based mechanisms, to be applied to the use of natural resources as well as to the emission and discharge of pollutants.

The first two methods above have been extensively called for by various international and regional organisations as well as individuals within the environment and urban development fields. These include ESCAP (2000), ESCAP (2004), ADB (2004a), CLGF et al (2007), Storey (1999) and Kohlhase (2004). All have cited the need for urban stakeholders to consider and take ownership of their environmental problems either through individualistic attempts or by collective action. Sometimes, this requires changing business behaviour and attitudes towards the environment, especially in the management level of business (Shrivastava: 1993). Voluntary and self-regulation programmes have also been initiated by various organisations and businesses. One example of voluntary regulation is
the adoption and implementation of the Environmental Management Schemes that have various levels of certification such as ISO 14001, ISO 14004 and ISO 14010 (Curran 2001: 36).

The third alternative deals with market-based mechanisms. This suggests that the market takes some responsibility for the external costs that it derives. According to Daly (1993) external costs of businesses are usually paid by someone else and not the business itself. Examples of these include the public suffering from stench and nuisance from uncontrolled wastes. Such costs must be met by the producer, either through fixed taxes, development contributions (PUMA Act 2004), emission charges, permits, licenses, end of pipe technology, betterment taxes, polluters pay principle (Roodman 1998), and pollution abatement costs (Curran 2001).

Suffice to say, the varying methods described above require the active participation of the private sector in regulation not only with regards to compliance but also as an instigator in environmental management initiatives, because raised living standards can only be achieved through the collective efforts of government, private sector and local communities.

2.4 Conclusion

In general, businesses in trying to establish an economic advantage end up emitting large volumes of waste, spent energy and pollutants. Ironically, while countries through their neo-liberal economic policies have been striving to create wealth, they have primarily worked to destroy the very wealth that human well-being rely on which are the non-
materialistic assets of nature; water, forests, air, oceans, and soils. Environmental and urban regulation may be effective in developed states but in developing countries with resource and financial constraints, more innovative urban policies that include private sector participation are required.

The following chapter provides information about the research methods used by the researcher in obtaining new data and information from her selected sample of thirty eight enterprises.
Chapter Three

Research Strategy

3.0 Introduction:
This chapter focuses on the process of data collection and reviews how relevant information on the research topic was obtained, collated and analyzed by the researcher. The chapter also discusses background principles as well as a range of factors that were used to design the research methods used in the study. It also provides both a summary and an overview of the methods that were employed by the researcher during fieldwork. Finally, the chapter describes parameters that influenced the overall design of the research as well as the limitations and constraints that the researcher experienced during the fieldwork.

3.1 Knowledge as constructed by Society:
Although there are several schools of thought regarding the various ways of finding and obtaining knowledge, this paper applies the ‘constructionist epistemology’ as a basis for developing suitable research methods for its fieldwork. This is due to the researcher being of the view that society, governance, economics, policies and development are constructed by people’s perceptions and experiences.

Constructionist epistemology has several arguments that are relevant to this study. Firstly, it argues that “knowledge is constructed rather than discovered” and that “there are multiple realities rather than a single reality” (Potter 2006:80). It looks at the value of the ‘interpretations’ of reality, rather than the value of experiments and repetitive surveys that are typical of scientific investigations and those of the positivist paradigm which sees
reality as single, tangible and fragmentable (Lincoln & Guba 1985). Secondly, it focuses on the need to investigate the perceptions of people, individually or collectively, so that a broader understanding of how things really are in society can be captured and recorded.

Schwandt (1994), states succinctly that for those who follow the constructivist persuasion, the focal point is “understanding the complex world of lived experience from the point of view of those who live it”. Here, particular actors in particular places and at particular times intermix in various processes of social interaction. Schwandt further outlined that,

“the act of enquiry begins with issues and or concerns of participants, and unfolds through a ‘dialectic’ of iteration, analysis, critique, reiteration, reanalysis, and so on that leads eventually to a joint construction of a case”.

In further describing the constructivist philosophy, Lincoln and Guba (1985:83) offer two illuminating points. Firstly, the philosophy can be described as an idealist, because it assumes that what is real is a construction in the minds of individuals. Secondly, the philosophy is pluralist and relativist in the sense that there are multiple constructions, due to the different experiences of different individuals and although some constructions conflict with one another, all are meaningful in one way or another.

Taking this then as a basis to develop the inquiry, it is the intention of this study that what is discovered from the participants of this research; that is, the private sector enterprises, civil society groups and members of regulatory authorities, will be of value to future development planners and policy makers alike.
3.2 Developing the research focus:

The private sector and their relationship with urban environmental issues is the central focus of this micro-study. This sector came to be the main focus of this study, due in part to the researcher’s interest in trying to identify the role the private sector can play in urban environmental management. Having been involved in environmental management initiatives in Samoa for more than ten years, and having built up a working relationship with the private sector throughout these years, the researcher recognized the great potential of the private sector to influence a positive change towards the environment. The study therefore, is an opportunity to investigate how a sustainable working relationship between the private sector and the urban environment can be strengthened for the benefit of Samoa’s environment.

To support and confirm the hypothesis for this study, three months of literature research in the USP library and on the internet confirmed the existence of volumes of written material that points to the integral role of the private sector in environmental management and sustainable development in the global sphere. These initial readings (Clausen (1985), Booth (1998), Curran (2001), Klein & Hadjimicheal (2003), De Paula & Dymski (2005), Stiglitz (2006)) enabled the researcher to obtain a sense of familiarity with the subject thereby allowing the researcher to understand the global and international importance of the role of the private sector in addressing environmental issues.

3.3 Methods of Data Collection:

Specific methods were employed to collect secondary and primary data from appropriate sources. In terms of secondary data, one specific method was used. This was a desk review of relevant reports, documents and data from key line Ministries and civil society
organizations. The research focused on relevant information and indicators pertaining to the private sector and the urban environment in Samoa.

With regards to primary data, three research methods were used. Firstly two questionnaire surveys were prepared and distributed, resulting in the collection of views and comments of respondents who participated in the surveys. Second, a series of in-depth interviews based loosely on questions in the questionnaire surveys was performed with several key respondents in both the private sector and government to obtain their views and comments. A final method used to create primary data was the use of participant observation. The following sections describe the research methods in more detail.

3.3.1 Collection of Secondary Data:

Crucial to any research is the accessibility to and analysis of existing information and data compiled by relevant sources. These secondary sources provide insight into an existing situation and allows the researcher to proceed further with the investigation.

3.3.1.1 Government reports and documents

Official government reports and documents were collected from relevant government Ministries during the field work. The materials collected were in both hard copies and in electronic format. The researcher was grateful for the helpful assistance of government employees, some of whom also directed the researcher to other sources of related materials. Certain information such as those relating to the non-compliance of businesses with certain regulations could not be obtained as they were considered confidential information.
Table 3.1: Collection and desk review of secondary data

<table>
<thead>
<tr>
<th>Research Method employed</th>
<th>Research Participants</th>
</tr>
</thead>
</table>
| 1. Visits to relevant offices to collect and review internal reports and documents | Department of Statistics  
Ministry of Finance  
Ministry of Natural Resources and Environment  
Ministry for Revenue  
Ministry of Commerce, Industry & Labor  
Ministry of Works, Transport & Infrastructure  
Office of Samoa Umbrella for Non Government Organizations |

3.3.2 **Collection of primary data:**

Original data can be obtained from the implementation of several research methods. Such data are primarily derived from the researched subjects. In this case, certain persons from the private sector and key government officials is the slice of population that the researcher was interested in.

3.3.2.1 **Questionnaire Surveys**

The questionnaire surveys were used to solicit the views and perceptions of the private sector and regulatory authorities (persons) on issues pertaining to urban environmental management, environmental regulation and social responsibility of businesses. Questionnaire A (see appendix 1) contained a mixture of thirty two (32) closed and open ended questions while Questionnaire B (see appendix 2) contained seven (7) questions.

Table 3.2 First method used to collect primary data

<table>
<thead>
<tr>
<th>Collection of Primary Data:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Questionnaire Survey A</td>
<td>38 private sector enterprises responded.</td>
</tr>
<tr>
<td>Questionnaire Survey B</td>
<td>9 persons involved with regulation responded</td>
</tr>
</tbody>
</table>
3.3.2.2  \textit{Face to face interviews}

Nine scheduled face to face interviews were conducted with key government and private sector and civil society stakeholders. Five semi-structured questions were asked (see appendix 3). The researcher was able to encourage open discussions with the respondents by using probing questions. The interviews enabled the researcher to uncover new clues and open up new dimensions of the problem and to secure clear and concise accounts of the situation as based on their personal experiences. The interviews were recorded so that the flow of the discussions would not be affected by note taking. The recorded interviews were then later transcribed by the researcher in preparation for content analysis. One telephone interview was conducted due to the unavailability of the respondent to meet in person.

<table>
<thead>
<tr>
<th>Table 3.3: Research methods used to collect information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection of primary data</td>
</tr>
<tr>
<td>--------------------------------</td>
</tr>
</tbody>
</table>
| Face to face interviews | Chief Executive Officer – Ministry of Natural Resources & Environment (MNRE)  
Assistant CEO MNRE – Planning and Urban Management Agency  
Assistant CEO – Ministry of Works, Transport & Infrastructure - Buildings  
Chief Executive Officer - Samoa Umbrella for NGOs  
President Samoa Chamber of Commerce  
Environment Officer Pacific Regional Environment Programme  
Representative Yazaki Samoa  
Manager Nonu Samoa  
Public Finance Consultant |
| Telephone conversation | President Samoa Association for Manufacturers and Exporters |

3.3.2.3  \textit{Participant Observation}

At the completion of some interviews, the researcher was kindly granted a guided tour of two business facilities “to get an insiders view of what people are doing in a given
situation” (Phelan & Reynolds 1996: 156). This enabled the researcher to see first hand some of the measures implemented by some businesses to minimise social and environmental impacts from their activities and photographs were taken to record what the researcher had witnessed on site (see figure 3.1).

Figure 3.1 Visit to Yazaki Samoa - Banner outside Yazaki Samoa showing their commitment to eliminating substances of concern.

3.4 Selection of participants:

Of the fifty-five questionnaires distributed to the private sector, only thirty-eight were completed and returned. The enterprises that participated in the survey were selected via convenience and haphazard sampling. The respondents for questionnaire B were selected due to their direct involvement with government regulation in the areas of environment, development and public health. A further nine respondents participated in face to face semi-structured interviews and consisted of relevant senior level government officials, and leaders of both NGO and private sector umbrella organizations and enterprises.
3.5 Coding & Analysis:

Information submitted by the respondents were coded according to certain categories or thematic issues of interest that were raised by the respondents as well as issues previously raised in chapter two. Bryman and Burgess (1994:5) claimed that coding is the connection between data obtained and conceptualization and the building up of categories from various observations. These categories were then further analyzed and interpreted in a more comprehensive and in depth manner and the results of the analysis are discussed in chapter six. In terms of statistical analysis, because less than fifty respondents participated in the survey, a statistical analysis software package was not required as it was fairly straightforward to manually calculate the numbers and percentages of responses. To maintain the confidentiality of respondents’ views, the participants have not been identified.

3.6 Research limitations

Following the completion of the fieldwork, the researcher was able to reflect on some of the factors that may have limited the scope of the field work. These factors include:

1. Timing – Many business owners stated that they were too busy with the running of their businesses and therefore had no time to sit down to fill in the questionnaires. Several factors may have caused this ranging from lack of interest of the business owners in the subject matter to even the length of the questionnaire being too long.

2. Existing attitudes – Some members of the private sector, instead of answering the questions put to them in the questionnaire, focused their responses in criticizing the role of
the public sector. As such, some responses seemed clouded by their already formed biases of government regulations.

3. Sensitivity – Some questions pertaining to environmental costs and corporate responsibility may have been too sensitive an issue for some business owners to address. This could be in part due to two issues. Firstly, discussion of business profits especially for individuals is usually treated as confidential and not discussed in a public forum. Secondly, the fact that the researcher is currently a senior officer within the government's urban regulatory authority may have raised some concerns and therefore some respondents were not comfortable to admit non-compliance with some urban regulatory laws.

4. Lack of adequate information and statistics – It was fairly difficult to find adequate and reliable information and statistics on environmental indicators (over time) and the private sector. It has been recognized that in the early reform years in Samoa, there was a lack of useful quantitative information in key areas such as private sector growth (Enterprise Research Institute: 2003). Even to date in the discussion of environmental issues the Government of Samoa has not provided sufficient useful indicators to allow for an effective analysis of the current state of affairs.

3.7 Area of research focus:

The study was conducted in Apia, focusing on the urban setting where the majority of businesses are congregated. The spatial distribution of businesses in Apia influenced the types of enterprises that the researcher was able to visit. The questionnaires were distributed to business enterprises within the urban environment, namely, the Central Business District (CBD), the urban fringes of Apia (UF), and the industrial area at Vaitele.
(see Figure 3.2 and 3.3). The industrial area is situated south west of the Central Business District.

Business owners on the big island of Savaii were not included for two main reasons. Firstly, there are at present only a small handful of businesses in the Savaii urban area at Salelologa, many of which face different land use problems as those faced by the private sector in Apia. The building structures in Salelologa are adequately distributed thus overcrowding is not as severe as in the central business district in Apia. There are also no factories or large industries in Salelologa as compared to the industrial area at Vaitele in Upolu. Secondly, the majority of enterprises in Salelologa are branches of head offices in Apia.
MAP
3.8 Conclusion

Searching for quality and valid knowledge requires practice, planning and the use of appropriate methods to accurately solicit the perceptions of research subjects. During this study the analysis and interpretation of responses to the questionnaire was a challenge because it represented views from many realities that were different from my own.

The following chapter (4) provides background information about Samoa as well as a more detailed description of the urban setting where the research was undertaken.
Chapter Four

The Setting - Samoa

4.0 Introduction:

To understand the context in which the research was performed this chapter provides basic introductory information about Samoa. Divided into two parts, the chapter first discusses Samoa’s geography, history, people and culture. Secondly, it discusses the current legal and socio-economic situation in Samoa focusing on the national economy. As any discussion on Samoa’s current economy within the past ten years must include the economic reforms introduced in 1996, this chapter also reviews Samoa’s Statements of Development Strategies, the reasons that resulted in their formulation and the crucial role placed by the government on private sector development.

4.1 Geography, Urbanization, History, People and Culture

4.1.1 Geographical features

Samoa is a small Pacific Island State with a population of 176,000 people and a land area of about 2,831 square kilometers. The islands are situated between 13º 25’ and 14º 05’ south of the equator, and between 171º 23’ and 172º 48’ west longitude, and is located south west of Hawaii, north-east of Fiji and west of American Samoa. Samoa comprises of nine islands of which only four are inhabited. Upolu is the main island in which the capital Apia is located, and the largest island is Savaii with a land mass of 1700 sq km (see figure 4.1). The islands are volcanic in nature, with the last eruptions occurring in Savaii between the years 1905 to 1911 (SOPAC, EU & GoS 2006:2). The terrain comprises of both fertile
rainforest areas along with rugged mountains and steep slopes with montane forests in the interior, while cloud forests are more predominant in Savaii.

Figure 4.1 Map of Samoa

Samoa enjoys a tropical climate. The monthly temperatures range between 23°C and 32°C while the average rainfall is estimated at 3000 mm annually with about 75% precipitation occurring during the wet season. Like other South Pacific island states, Samoa’s dry season lasts from May to October while the wet season is from November to April. The tropical cyclone season occurs during the rainy season and lasts from December to February.
In the past twenty years the country has been severely affected by cyclones. Cyclones Val and Ofa caused extensive damage to Samoa’s agriculture and infrastructure in 1990 and 1991 respectively. In 2004, Cyclone Heta also left considerable damage and in 2005, five cyclones developed around Samoa’s region but none hit the islands that year. This is an indication of the vulnerability of the islands to strong cyclonic winds.

4.1.2 Urbanization in Apia

The nineteenth century saw the first signs of urbanization take place in Samoa. First, the arrival of European settlers and capitalists into the coastal village of Apia, and second, the subsequent transformation of the small Apia village into a bustling port town were the pre-conditions of urbanization in Samoa. Today, Apia extends from the Apia harbor to the more elevated reaches of Mount Vaea to the south and the westerly and easterly coastal fringes of the middle north coast (GHD & TGA 2007: 45).

In 1956, Samoa’s population was 97,000 persons. Thirty five years later in 1991, the total population nearly doubled to 161,298 persons (Urban Planning & Management Project Team 2001). By 2001, Samoa’s total population had risen to 176,710 persons, a 10% increase since the previous census. As reported by Soo et al (2006), the census accounted for 22% of people living in the Apia Urban Area, 29.8% in North West Upolu, 23.7 % in the Rest of Upolu and 24 % in Savaii. Although the Apia Urban Area had the least percentage in population in comparison to the other regions, the area was by far the most congested. According to governments report (GoS: 2002) for the World Summit for Sustainable Development (WSSD) meeting that was held in South Africa in 2002, “some
residents in Apia lived on blocks of land that were less than a quarter acre, which is much less than the legislated minimum size for a sub-division”.

After further analysis of the 1991 and the 2001 census, two major trends were noted. Firstly, the North West population had increased by 35%, and secondly, Savaii’s population had declined from 0.4% in 1991 to -0.5% in 2001 (GoS, Virtual Consulting Group & MNRE 2003). This increase in the North West region indicates a new pattern of growth for Samoa.

The census defined that the Apia Urban Area comprises of two districts, however these two districts form only part of the wider built-up area of Apia. In 1991, the Apia Urban Area population was 35,489 persons and in 2001 the population had increased to 38,836 persons due to migration and natural increase. However, it is noted with interest that the two fastest growing districts were located to the immediate east and west of the Apia Urban Area, namely, Vaimauga East and Faleata West. The combined total from these two districts amounted to a total of 12.4% of the 2001 national population count. The growth in the Faleata West district was boosted in the 1990’s when government converted government plantation lands into low density residential developments (GoS 2002: 30). These new spurts of growth around Apia correlates with the expanding built up area of the capital. Suffice to say, the urban population of the wider urban area was calculated at 60,872 persons or 34.4% of the 2001 national population (refer to table 4.1) (GoS, Virtual Consulting Group & MNRE: 2003).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of persons in Apia Urban Area (Census defined - two districts only)</td>
<td>33,170</td>
<td>35,489</td>
<td>38,836</td>
</tr>
<tr>
<td>Number of persons in Apia built up urban area (four districts)</td>
<td>45,881</td>
<td>48,616</td>
<td>60,872</td>
</tr>
<tr>
<td>% growth increase in urban population (four districts)</td>
<td>na</td>
<td>5.6%</td>
<td>20.1%</td>
</tr>
<tr>
<td>% share of national population (four districts)</td>
<td>29%</td>
<td>30%</td>
<td>34.4%</td>
</tr>
<tr>
<td>Population of Samoa</td>
<td>156,349</td>
<td>161,296</td>
<td>176,848</td>
</tr>
</tbody>
</table>

Source: GoS, Virtual Consulting Group & MNRE: 2003

Apia’s low lying coastal position is surrounded by five major catchment areas that comprises a total area of 1033 sq km and in 2001 contained a population of 43,333 persons or approximately 25% of the total population of Samoa (GoS & KBR: 2006). The increasing number of developments within the catchments poses many challenges to government as demand for infrastructure and utilities have been increasing steadily. It was further noted that Apia was experiencing widespread land use activities ranging from deforestation, agriculture, residential, commercial, and infrastructure to name a few. Similarly, there has been extensive clearance and refilling of mangrove areas near the urban centre due to new developments.

Apia’s Central Business District (CBD) covers an area of 18.7 ha with the majority of buildings being single or second storeys high with only a few five to six storey buildings (GHD & TGA 2007:44). Land use in the CBD ranges from housing, administration, commercial, spiritual and industrial, and in some areas, government reserved lands are found.
“The continual expansion of the Apia area in combination with an increasing demand on the capability of public infrastructure has created a situation where services are being stretched and quality of life indicators, such as public health and environment concerns are highlighting the need for positive change” (ibid 2007:45).

The report also highlighted that the waters surrounding the Apia area is heavily contaminated by many years of discharge of untreated sewage and industrial wastewater.

Apia comprises of all three land tenure types, that is, customary, freehold and government lands. This creates a haphazard distribution of developments around the urban area and as a result, a wide mix of commercial, residential and village settings ensues. This makes it difficult to plan effectively as commercial developments leap frog over customary land that are mostly used for village housing (UPMPT: 2001). In essence, “urban expansion is influenced mainly by land tenure rather than an integrated planning system” (ibid).

Furthermore and as stated in the Strategy for the Development of Samoa 2002 -2004 (GoS & Treasury Department 2002:24), 70% of all economic activity is centered either directly or indirectly in the Apia Urban Area, where much of the growth of the private sector has taken place. It was also noted that the construction industry is largely based in Apia and as such it was estimated that 75% of all public and private construction was undertaken within the Apia urban area (GoS, Virtual Consulting Group & MNRE 2003:27).

In discussing the way forward in resolving some of Apia’s urban problems, the WSSD report (GoS 2002:30) identified several issues that require government’s urgent attention. Seemingly, the issues include; industrial waste disposal, overcrowding, privacy issues associated with the siting of buildings, flooding caused by building on flood prone and poorly drained land, reclamation of coastal lands and mangrove areas, septic tank effluents
flowing into the groundwater and coastal ecosystems and urban catchment impacts on water quality and land resources.

### 4.1.3 History and Politics:

Throughout the 19th Century, Samoa experienced its fair share of foreign influences through regional travels between Fiji and Tonga, missionary teachings, colonization by three colonial powers and external trade with outside parties. Despite Samoa’s relatively small size, the island state became heavily influenced by European thinking, especially with the introduction of key foreign concepts such as Christianity, Colonialism and Capitalism. The European settlers, missionaries and beachcombers with their new tools and modes of economic production, left lasting results on the culture, politics and economy of Samoa.

In the mid 1800’s, Great Britain, United States and Germany in their search for resources, trade and territory agreed to divide Samoa into two political entities. The United States took the eastern group of islands under their protection, making it a territory of the U.S (now referred to as American Samoa), while Germany took the western group of the archipelago which eventually formed Samoa. Great Britain traded her interests in Samoa for interests in other nearby island states such as Wallis and Futuna and the Gilbert Islands. This arrangement lasted for 14 years until the First World War when a military force from New Zealand wrested administrative control of Samoa from Germany in 1914.

After 48 years of New Zealand administration, Samoa became the first Pacific Island state to regain its political independence in 1962. This however only came about after 62 years of colonial rule which had seen the imposition of a foreign based system of government; a
system based on foreign principles and concepts. The newly formed independent Samoan government inherited a European style political and economic system that was already grounded in western ideologies and economic dependency outside of the country. Samoa’s early attempts at becoming a new sovereign state meant early exposure to aid dependency, foreign debt and internal economic struggles.

Samoa’s current parliamentary system is based on the Westminster model of parliamentary democracy. Parliament is made up of the Legislative Assembly and the Head of State whose written consent is required before any Bill is passed as law. The Legislative Assembly is made up of 49 members of which 12 are selected to become the governing Cabinet (Soo et al: 2006). The members of Parliament are elected every five years during general elections. Although the original electoral system was based on ‘matai’ suffrage, meaning that ‘matais’ were only permitted to vote, this changed in 1991 with the introduction of universal suffrage which gave all Samoan citizens aged 21 and over, the right to vote. However, ‘matai’ influence continues through the requirement that to run for Parliament one must have a registered ‘matai’ title prior to elections. The current government is the Human Rights Protection Party.

4.1.4 Culture and People of Samoa

In the 2001 census, 99% of the population identified themselves as Samoans (Soo et al: 2006). This is a strong inclination of the hegemoniety of the Samoan society thus cultural and traditional values play a significant role in many areas of Samoan life. The society is based on the ‘aiga’ (extended family) system where each ‘aiga’ forms a family unit that is headed by a ‘matai’ (chief or titled man). The ‘aiga’ forms part of a village which has a council made up of all the ‘matai’ who sit as representatives of their respective families.
Culture also provides guidelines that are used by the government in the formulation of policy in various areas. Under the Constitution passed in 1961, Samoa was declared “an Independent State based on Christian principles and Samoan customs and traditions”. This guideline formed a basis for the drafting of electoral laws, the land tenure system, the legal system as well as the formation of the new government where two paramount chiefs were made joint Heads of State. As such, the 2002-2004 and 2005-2007 Statements of Development Strategies recognize the importance of the ‘faa-Samoa’ and stress the need to develop it as a valuable social security system that provides social cohesion in communities. In recognition of the ‘faa-Samoa’ and the rule of cultural traditions and values the government went a step further and enacted the 1990 Village ‘Fono’ Act to resolve the villages’ own affairs by imposing penalties and fines for minor indiscretions. Jurisdiction in criminal matters however remains with the Police.

The importance of Samoan culture can also be highlighted in terms of the land tenure system as 81% of all land area in Samoa is customary owned and cannot be sold or alienated (see table 4.2). This is due in part to individuals and extended families all having a common and equal traditional interest in the land through lineage. This form of communal land ownership is registered with the Lands and Titles Court of Samoa under family ‘Matai’ titles.
Table 4.2 Land Ownership

<table>
<thead>
<tr>
<th>Type</th>
<th>Upolu</th>
<th>Savaii</th>
<th>Total land</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ha</td>
<td>%</td>
<td>ha</td>
</tr>
<tr>
<td>Customary</td>
<td>76,166</td>
<td>27</td>
<td>153,490</td>
</tr>
<tr>
<td>Government</td>
<td>19,758</td>
<td>7</td>
<td>10,626</td>
</tr>
<tr>
<td>STEC &amp; SLAC</td>
<td>9,499</td>
<td>3</td>
<td>4,476</td>
</tr>
<tr>
<td>Freehold</td>
<td>7,800</td>
<td>3</td>
<td>1,037</td>
</tr>
<tr>
<td>Total</td>
<td>113,223</td>
<td>40</td>
<td>169,629</td>
</tr>
</tbody>
</table>

(Source: Isikuki Punivalu & Associates and MNRE: 2006)

4.2 The Economy of Samoa

This section provides a brief description of the Samoan economy and its transformation since 1990. Special attention is given to reviewing the development strategies that was implemented since 1996 and the effects that these reforms have had on Samoa’s economy especially in regards to the private sector.

Samoa is categorised as a Least Developed Country (LDC) and its economy has long been dependent mainly on remittances, agricultural exports and development aid from overseas donors. Although efforts have been made over the years to develop Samoa’s economy, several constraints exist and have dampened growth. These constraints as presented by Malua (2004), include Samoa’s smallness in size; the remoteness from world markets, a price disadvantage in relation to world market prices, the frequent occurrence of natural disasters, and Samoa’s political governance regime. From a commercial enterprises view point, other constraints include, the high cost of production, lack of investment capital, limited supply of skilled labor, inconsistency of supply and demand, limited access to technology and heavy bureaucratic procedures (Technical Cooperation Project 2001: 72). Despite these impediments however, the country has had to develop what little natural
resources it has, in terms of agriculture, fisheries, forestry and people in an effort to improve its economy.

4.2.1 Economic Performance

Although Samoa’s economy in the past five years (2001-2006) has been characterised by stable economic growth at an average real rate of 3.5% per annum it has also faced several real challenges. According to KVA Consult Ltd (2007), these challenges included poor performances of the primary and secondary sectors between 2000 and 2002; difficulties in meeting balance of payments as a result of civil service pay rises; overspending to cover debts incurred by the former national airline and private sector credits in 2005 -2006. Despite these challenges however, it is expected that Samoa’s real growth GDP will be maintained at an average range of 3 – 4% per annum from 2007 to 2010. This positive estimate was also reiterated by the International Monetary Fund during a visit to Apia by some of its members in mid 2007 (Samoa Observer: June 2007:24). The IMF Executive Board acknowledged the country’s impressive economic transformation stressing the maintained real GDP performances of over 3% per year on average and an improved public debt performance throughout the years.

A point to note here is the transformation of the Samoan economy in the past 5 years with agriculture and fisheries no longer the major contributors. Service sectors such as Commerce (19.7%); Transport and communication (12.8%); Public administration (10.9%) and Finance and business services (10%) exceeded the contributions of the two primary sectors (GoS & Ministry of Finance: 2006). There are two possible reasons for the reduction in the contributions of the primary sector.
First, Samoa’s ongoing economic reform has widened the country’s economic base and as such has diverted the attention and commitment of the government towards other economic activities in the secondary and tertiary sectors, and secondly, it cannot be denied that agriculture and fisheries are susceptible to natural risks such as cyclones, crop diseases and fluctuating climatic conditions, which without strong support and protection from the government, both will continue to remain underdeveloped.

4.3 Samoa’s Public Sector Reform

Although much of the literature on reforms have indicated that the push for economic reforms have been largely due to external pressures from international financial institutions such as the World Bank and the International Monetary Fund, in Samoa’s case, the reform agenda was “driven by a combination of both voluntary and coercive factors” (Amosa 2005: 45). Amosa claimed that the reform was voluntary in the sense that certain senior officials within government “were dissatisfied with the perennial deficiencies of the old regime” and as such felt the need for improved governance.

The reform program was also coercive in nature as there were some concerns about being seen as non conducive to governance issues that was increasingly becoming a new catchphrase in international lending politics. With this strong inclination for change, the country embarked on a reform program that saw it revise old policies and implement new measures to:

(i) stabilise the country’s macro-economy,

(ii) promote efficiency and effectiveness of public sector performance and accountability,
(iii) promote more viable economic options, particularly through the private sector, and
(iv) create an enabling environment for economic growth.

Coupled with Samoa’s debt ratio rising to 90% of its GDP in the early 1990’s the country saw the need to reevaluate its entire public system (IMF: 2005). This meant abandoning previous development plans that were typical of command economies and embracing a broader economic agenda based mainly on markets and market principles (Osman: 1997).

It must be highlighted that from the very beginning of the reform program, Samoa emphasized that the private sector would drive the economy while the public sector plays a supporting or secondary role in economic development. This reversal of roles is linked to the general perception that “the values and beliefs of the public sector were synonymous with inefficiency and incompetence” and that “performance and efficiency could be significantly improved by importing management techniques from the private sector” (State Services Commission 1993:38). This buy-in to the role of the private sector therefore, as the new engine of growth (Soo et al 2006; 10), became the main theme for governments reform agenda and which led to the development of Samoa’s first Statement of Economic Strategy for the period 1996-1997.

4.3.1 National Statements of Economic (Development) Strategies

To translate the reform program into a national strategy, the government implemented an extensive consultation program to develop its first ‘Statement of Economic Strategy’ (SES). This would replace Samoa’s five year development plans that had very little local input as they were mostly developed by expatriates (Osman: 1997).
As such, the new development framework that succeeded the previous plans was given a shorter timeframe of two years for the first three national statements and then three years for the following two national statements. Each national statement had an accompanying theme that promoted the general objective of the statement (see table 4.3). After the first three economic statements, the term ‘economic’ was replaced with ‘development’. As stated by the Minister of Finance in the prologue of the 2002-2004 SDS, the new change “encapsulates the significance of considering all facets of development including economic, social and cultural values”.

Table 4.3: Samoa’s Statement of Development Strategies

<table>
<thead>
<tr>
<th>Year</th>
<th>Type of Statement</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998-1999</td>
<td>Statement of Economic Strategy</td>
<td>Strengthening the Partnership</td>
</tr>
<tr>
<td>2002-2004</td>
<td>Statement of Development Strategy</td>
<td>Opportunity for All</td>
</tr>
</tbody>
</table>

Although each national statement varies in terms of content, the key strategies were similar throughout the years. This includes the government’s non wavering focus on private sector development and the provision of an enabling environment for business growth and commercial activity.

4.3.1.1 Private Sector Development – A key strategy in the SDS

From the very first Statement of Economic Strategy entitled ‘A New Partnership’, the government has worked consistently to create and implement a policy environment that would strengthen the private sector, either by developing new laws and private sector friendly policies or by eliminating the constraints that were apparently holding the sector
back. The partnership was grounded in liberalization and privatization as a means to encourage business activity and investments to and within Samoa (Technical Cooperation Project 2001:9) and as such, several initiatives were created. Some of these initiatives include:

- Financial sector liberalization and the opening up of credit ceilings for private sector use. In fact commercial bank lending to the private sector increased by 57% since the beginning of the liberalization program in the mid 1990’s.
- Introduction of a broad based value added goods and services tax; 10% in 1994 to 15% in 2006.
- Substantial reductions in tariff rates from 60% to 20% or less in some cases.
- Reductions in corporate tax rates from 35% to 29% and now 27% as of January 2007, and increasing the Value Added Goods and Services Tax (VAGST) threshold exempting businesses with a turnover of $78,000 ‘tala’ from the requirement to register for VAGST purposes.
- Personal taxes top off at 27% and the income tax free threshold is increased to $12,000 ‘tala’ per annum.
- Institutional strengthening of government Ministries and State Owned Enterprises by focusing on core functions and through use of an improved output and performance based budgeting system, devolution of responsibilities and decentralisation of activities.
- Privatisation of government services and State Owned Enterprises
- Sector reforms for Health, Education and, Telecommunication and Postal services
In addition to the above general policies, several private sector enterprises have further benefited from various financial and technical assistance packages coordinated and implemented by various institutions, ranging from government, to private firms, NGOs, regional bodies and donor agency’s. Although some of these are also being offered in other parts of the region, for Samoa alone 22 financial and technical packages have been on offer for many years. For example, the Ministry of Commerce, Industry and Labor offers four separate schemes to the private sector and of which 142 enterprises have been assisted. These are the:

- Enterprises Incentives Scheme (2 enterprises)
- Duty Suspension Scheme (6 enterprises)
- Assistance for the Development of tourism and exports (18 enterprises),
- New Zealand Aid Private Sector Support Allocation (116 companies)

Other Government agencies that administer assistance schemes are the Ministry of Foreign Affairs and Trade, the Samoa Tourism Authority and the Ministry of Finance. Of the financial and technical packages above, assistance comes in the forms of excise tax free materials, income tax holidays, duty free materials, technical advice, hands-on training and marketing needs. With all the above being offered to the private sector, there has been a notable “expansion in hotels, restaurants, commerce, transport and communications” (Enterprise Research Institute 2003: 23).

While some enterprises have been experiencing new growth, others have been adversely affected by certain aspects of a more competitive and liberalised economy. For example, one business proprietor, Percival ( ), stated during a presentation that liberalisation had achieved what two cyclones could not do to his business and that was to drive his company
to near bankruptcy. According to the businessman, “the restructuring had removed the protectionist differentials of about 20 - 40% that the manufacturing sector had enjoyed” and that with tariffs lowered drastically, a comparative advantage was difficult to maintain.

There have also been some skeptics about the performance of the private sector since the reforms. According to the Enterprise Research Institute (2003), the private sector has yet to play its part in generating faster growth and that private sector performance has been quite slow. Another criticism refers to the slow pace of the privatization program as Government still maintains 100% authority over the majority of State Owned Enterprises remaining (WPAS: 2006). Despite some of these hiccups, the International Monetary Fund acknowledged (IMF: 2005) the general positive progress of Samoa’s reform program, and further advised that Samoa continue to:

- maintain macroeconomic stability,
- promote further structural reforms in the near future, and
- improve supervision of domestic and offshore banking sectors
- enhance expenditure restraints so as to accommodate for natural disasters, Samoa’s ageing population and the possible reduction of aid flows.

4.4 Conclusion

Urbanization in Samoa has been largely uncontrolled for many years. Coupled with the increasing urban population residing and working in Apia, the capitals environment has been experiencing severe environmental problems. Samoa’s public sector and economic reforms stresses the need for further development and growth of the private sector. This warrants an effective urban and environmental regulatory system. The next chapter will provide more specific information on the urban and environmental framework in Samoa.
Chapter Five

Samoa’s Urban and Environment Regulatory Framework

5.0 Introduction

Samoan environmental planning and policy in the past twenty years has undergone significant change with the introduction of several policies and institutions to regulate environmental matters. In 1989, the government first created a relatively small environment division within the Department of Land, Surveys and Environment and then later, bodies such as the Ministry of Natural Resources and Environment (MNRE) and the Planning and Urban Management Agency (PUMA) followed.

Although these institutions have had varying degrees of success in fulfilling their duties, their efforts have been hampered in some cases by government priority being given to other national priority areas such as private sector development. This Chapter reviews the current environmental regulatory framework available, how it evolved, and the institutions that implement it. As this paper focuses on urban management aspects, special attention will be given to the role of the Planning and Urban Management Agency and urban environmental issues.

5.1 Guidance for National Environmental Policy

Aside from the Land, Surveys and Environment Act 1989 and the Planning and Urban Management Act 2004, there are three other important guidelines affecting environmental policy formulation in Samoa that the author wishes to discuss. First among these is the National Environment Management Strategy (NEMS) adopted in 1994. Coming just five years after the creation of an Environment Division within the Department of Land,
Surveys and Environment, NEMS provided a policy framework for the formulation and development of national policies targeting several environmental components. Waste management, water, land use and population were identified as the key concerns at the time the policy framework was adopted by Cabinet in 1994. Second is the Samoa Statement of Development Strategy (SDS) framework which in the early versions (1996; 1998) quoted the policies proposed by NEMS. Of particular interest in the 1996 SDS, was governments recognition of the need “for a legal basis to manage infrastructure development and land use in the Apia urban area.” Third, are Multilateral Environment Agreements which Samoa has become a party. Samoa is a signatory to 19 multilateral environment agreements and 7 regional agreements (see appendix 4). Although this would appear to be a clear indication of government’s commitment to the protection of the environment, there have been some concerns raised about the financial and resource capability of the government, as well as the capacity of local personnel to implement and enforce these international agreements (ADB 2004a).

5.2 Environmental Institutions

5.2.1 The Ministry of Natural Resources and Environment

The Ministry of Natural Resources and Environment (MNRE) is currently the main government institution regulating environmental issues in Samoa and its roles vary from land management, conservation of marine, forestry, water resources, meteorology, natural disasters, renewable energy, strategic planning and the coordinating of the Global Environment Fund (GEF). The MNRE was created in 2003 with the realignment of government ministries by the merger of several government divisions with the Department of Lands, Survey and Environment (Ministerial and Departmental Arrangements Act 2003). For example, the Meteorology and Forestry services were transferred from the Ministry of
Agriculture to MNRE, and the Planning and Urban Management Agency was transferred from the Ministry of Works, Transport and Infrastructure (MWTI). In 2006, of considerable importance was the return of PUMA back to the MNRE after being placed under the MWTI for one year. Originally, the PUMA was established under the MNRE in 2002 but due to Cabinet re-shuffling in 2005, the Agency was moved to MWTI. Again, after changes in Ministerial portfolios following the 2006 general elections, the Agency was returned back to the MNRE where it is currently located.

In its current form, the Ministry is one of the largest in the public sector with a total of eleven divisions and a workforce of 446 people, including 285 casual workers (MNRE 2006: 12). The Ministry grew to its current size of eleven from nine divisions (see figure 5.1) during the financial year 2003-2004 as a result of government’s continuous public sector restructuring. The expansion of the Ministry was caused by the transfer of Divisions from other Ministries and the creation of new responsibilities within the Ministry. With such a wide range of functions and responsibilities, the activities and functions of the MNRE are governed by several primary and secondary legislation (see appendix 5). The main legislative framework however dealing with the management, protection, conservation and regulation of Samoa’s environment and natural resources is made up of the Constitution of the Independent State of Samoa, the Land, Surveys and Environment Act 1989, and the recently passed Planning and Urban Management Act 2004.
MNRE organizational structure
Part of the Ministry’s additional duties includes hosting several national awareness days of key environmental issues such as Biodiversity, Climate Change, Waste Management, Natural Disasters, Planning and Chemicals. The Ministry also hosts an annual week of environment activities in November which includes an Environment Forum, Arbour Day planting and the awarding of environment awards to individuals and organizations in recognition of their contributions to the environment.

Despite the growth of the Ministry in terms of functions, responsibilities and staff, over the past seven fiscal (1998-2005) years, the government has spent only 3% of the total national annual budgeting allocations on environment and natural resources (IPA & MNRE 2007). The bulk of environment funding comes from international aid packages for environmental projects through bilateral or treaty related sources.

5.2.2 The Planning and Urban Management Agency

In 2002, the Planning and Urban Management Agency was established as the new urban regulatory authority. Although the specific actions of the agency were formalised in 2004 with the passing of the Planning and Urban Management Act the agency originally operated under the auspices of the Land, Surveys and Environment (LSE) Act 1989 and had three core areas, namely: preparing strategic plans and policies; regulating developments; and supervising and managing urban services. Although the scope of the agency may have originally been envisaged as being limited to only urban areas, the legislation was widened to include all developments throughout the country.

PUMA as an urban management authority came about for several reasons, firstly, the creation of an urban authority had been discussed in the past, as far back as the 1950s and more recently had been part of a new land use policy initiative under the NEMS process. It
was also recognized in the 1996 SDS. Secondly, the PUMA Act was drafted to fix certain flaws in the administration of the 1989 Land, Surveys and Environment Act. Soon after the LSE Act was passed in 1989, it was recognized that there were defects in the Act and its administration. It became obvious that the LSE Act 1989 was insufficient as:

- the Act was merely an institutional framework providing policy and legislative direction, while the more specific substantive measures required to give effect to the Act warranted the formulation of several regulations (Government of Samoa 2002:65).
- the penalties for offences in the Act were too small and did very little to deter people from breaking the law and therefore it was decided that penalties for environment related offences needed to be increased, particularly for corporations and private businesses that breach provisions of the 1989 LSE Act (IPA & MNRE 2007: 91),
- some community groups expressed dissatisfaction with the weak enforcement measures from the Ministry (ibid).
- the Act made no reference to the social, cultural and economic context with which land and other resources were inevitably used other than very limited reference to “the social features of aesthetics” (GoS: 2002).

As a result of these issues and legislative and institutional reviews undertaken during the mid 1990s, a more holistic approach to environmental management and protection was considered necessary. This coincided with the internationally promulgated term ‘sustainable development’, which argued a fresh understanding of how development and the environment could intermix without compromising the resource base of future
generations. As such, the social and development aspects of the environment were highlighted. In acknowledging the need for sustainable urban development, the government in its 2002-2004 Strategy for the Development of Samoa identified two priority areas for development. These were:

(i) to strengthen urban management and,

(ii) to enhance environment protection.

In 2002, when PUMA was first created, despite the best intentions, many people disliked the role of PUMA and the development consent application process as it was seen to be too complex (Hay & Suaesi 2006:7). Many were suspicious of the role PUMA would play in possibly putting environmental concerns over development and some saw the Agency’s role in the development consent and assessment process as an unnecessary government intervention in private individual matters (IPA & MNRE 2007: 91).

In what can be argued as a negative reaction to the establishment of PUMA, as stated before, the Agency was shifted by Cabinet from MNRE to the Ministry of Works that focused primarily on infrastructure development. Although the Agency was moved back to MNRE one year later, some members of the public are still calling for a reform on the regulatory process to adopt a more flexible approach based on open discussions and compromises (Hay & Suaesi 2006:7). Despite these criticisms, some members of the public were appreciative of the set up of the Agency, particularly those who have been disadvantaged by unregulated developments and adverse social and environmental impacts.

With the creation of the Agency in 2002, the Agency inherited volumes of overwhelming problems ranging from unplanned development, uncoordinated planning, incompatible land
uses, uncooperative urban stakeholders, a floodplain city and a polluted urban environment. Most of which had been created prior to the establishment of the Agency. Similarly, when the Agency was formed, very few regulations and formalized public policies were used to guide the decisions of the Agency. Consequently, and in response to the increasing number of developments and amenity complaints, the Agency had to draft and adopt several policies to assist with its decision making.

Firstly, in the past three years, the Agency has had to draft and approve the following policies to cater for the amenity and development demands of the public;

- Parking Policy – approved 2006
- Noise Policy – approved 2006
- Signage Policy – approved 2006
- Telecommunications Facilities Policy – approved 2006
- Codes of Environment Practice (revised) – approved 2007

These are to encourage a more transparent and fair development planning process. Secondly, further guidance was finally received with the adoption of the Environment Impact Assessment Regulations 2007, which was recommended in the SDS 1996, initially drafted in 1998, and finally passed by Parliament in 2007 after several reviews of the initial draft to reflect the provisions of the Planning and Urban Management Act 2004. Finally, the Agency has used other national policies to assess developments such as the Coastal Infrastructure Management Strategy 2001 and its individual District Plans, and the Code of Environmental Practice 2006, both of which are partly implemented with other lead agencies.
5.3 Environmental Issues – mainstreaming

In terms of mainstreaming environmental considerations into national development efforts, the researcher suggests two main issues that need to be resolved. The first involves the lack of a clear and cohesive environmental strategy on the national planning level. While NEMS was drafted more than ten years ago it faces two keys problems. Firstly in the SDS which is the main government guideline, environmental issues have always been treated as cross cutting. This has meant that the role and weight given to environmental issues is often unclear and left to several institutions to implement different areas. While MNRE has focused on the more pressing environmental issues, other Ministries have had to prioritise their resources with more demanding core outputs required to be fulfilled.

Although there are some aspects of the environment that are mentioned in the current SDS, such as: achieving energy efficiency; implementing sanitation and waste water improvements; improving drainage, waste water treatment and sewage disposal; promoting organic agriculture; regulating native forests and enforcing EIA for tourist developments, these activities are all scattered amongst different sectors and actors and as such would likely be uncoordinated, as these activities compete with other priority activities of each sector, and if this be the case, environment as a service would be delivered in an ad-hoc fashion. This was also observed by Hay and Suaesi (2006:i) who claimed that;

“the current SDS makes very few references to environmental considerations and as such the environment is not effectively mainstreamed in the national development planning process”.

Furthermore, even though theoretically, environment concerns are considered as a cross cutting issue, in practicality, such concerns would really only be considered in sector strategies when sector plans have been developed, however such plans take years to initiate,
develop, formulate, adopt and implement. The delay would result in Samoa’s fast changing environment becoming more difficult to manage and protect.

The second issue is the apparent gradual fading of the importance of environmental issues to the national planners. As stated before, the SDS has become the principle guiding policy document for development. It is used as a road map and government initiatives are linked to the SDS as a means of justification. Unfortunately for environmental issues, in stark contrast to the focus on the development of the private sector in all governments SDS, the environment on the other hand has been significantly downplayed in the current SDS.

Despite being a key strategy in the first and second SDS, in the third SDS (2001-2002) the environment was no longer considered a key strategy but rather, a ‘supporting priority’. This trend continued until in the 2005-2007 statement it was omitted, although the Minister of Finance was quick to state in the prologue of the 2005-2007 SDS, that “the absence of other broad development areas (including environment) does not mean that they are not important”, and that on the contrary, “they are equally important but they are seen as providing a supportive role to the identified strategic areas” (GoS: 2005). Regardless of these reassuring comments, it is significantly obvious that in the current SDS, the environment is of no significant importance.

5.4 Conclusion

Despite the unclear instructions and guidelines from the current SDS with regards to the environment, there have been some institutional progresses relating to environment protection and urban management, although at the same time, there have also been some
very real and specific challenges and constraints confronting the Planning and Urban Management Agency.

The subsequent chapter discusses the results of the research undertaken in Samoa. An analysis of primary and secondary data follows.
Chapter Six

Private Sector Perceptions and Practices
in relation to urban environmental management

6.0 Introduction

Volumes of literature (Jones (1995), Connell and Lea (1995), Storey (2000), Mohanty (2007)) on urbanisation have raised concerns about the degrading environmental quality of urban areas in the region, pointing at the increasing mixture of complex socioeconomic problems derived from and made worse by, population growth, expanding built environments, uncontrolled developments, incompatible uses of land, poor environmental practices and conflicting interests. Individually, as well as collectively, these problems affect the very basic human standards of the Pacific people; their health, security, hygiene, livelihood, housing and social unity.

Pacific Island countries such as Kiribati, Fiji, Tonga and Samoa have all made some attempts at tackling their own unique urban environmental problems (ADB (2004a), Storey (1999)), however despite these countries’ efforts, ESCAP (2000) recognized that governments cannot manage urban problems on their own. In Samoa, these problems are currently being approached through the creation of urban policies and regulations administered by the Planning and Urban Management Agency. Created in 2004, PUMA is the central urban planning unit responsible for regulating activities that affect the urban environment.

In terms of finding effective solutions for the problems currently faced by the Apia urban environment, it is vital that all stakeholders are involved in both the formulation and
implementation of policy. Several researchers have already identified various stakeholders such as the numerous urban based local village councils and church groups and a significant amount of work has already been done to incorporate these traditional and religious structures into the urban planning framework (Storey (2000), Kohlhase (2004)).

The private sector as one of the major stakeholders can also play a significant role for several reasons. Firstly, as the major influential economic group in the Apia area, the activities of its members affect both the public sector as well as the community at large. With Commerce, Transport & Communication, and Other Manufacturing (GoS & MoF: 2005b) becoming the dominant industries in the Samoan economy, the private sector as a major investor in most industries plays a vital role nationally.

Therefore, in an effort to understand how the private sector can be put to good use for the sake of a sustainable urban environment, this chapter looks at and acknowledges how enterprises use the land that they are located on, what impacts are derived and what environmental practices they implement. Just as important, is the opportunity to obtain the perceptions of members of the private sector about the constraints, the capacity needs and challenges faced by the private sector in making positive environmental changes whilst competing in a more vigorous business environment.

In light of this, and having obtained a substantial volume of primary and secondary information throughout the course of the research, both in quantitative and qualitative form, this chapter presents in similar presentation an analytical account of the responses of the private sector on several issues pertaining to, private sector development, business induced
impacts, amenity and environmental regulation, corporate responsibility and environmental awareness. The following section provides an introductory overview of the respondents in terms of who they are, what they do and where they are located.

6.1 A general overview

The main sources of primary data were obtained through questionnaires answered by thirty-eight members of the private sector and face to face interviews with nine government officials involved in environment and urban management regulation. For the private sector, the questions were based on four broad categories to obtain an understanding of the respondents, in particular, their backgrounds, views on economic and environment related policies, positions on their activities and business responsibility, as well as their understanding and viewpoints on the regulatory system. Therefore, in order to understand the business environment that the private sector is currently operating in, information was sought regarding location, employment size, polluting features, duration of doing business and a policy framework featuring local and international policies.

6.1.1 The respondents and their location

Thirty eight representatives from the private sector responded to the questionnaire. These respondents were selected randomly as outlined in chapter 3 and were predominantly male (66%) from a wide range of business backgrounds such as financial institutions, retail, wholesale, tourism, construction, consultancy and manufacturing to name a few (see table 6.1) The respondent enterprises were scattered throughout the urban area with more than half (55%) of the businesses located within the immediate urban fringes while only 16% were located within the industrial area at Vaitele.
Table 6.1: Enterprises that responded to the questionnaire survey and their location in the urban sphere.

<table>
<thead>
<tr>
<th>The Enterprises &amp; their services</th>
<th>Number of enterprises</th>
<th>Central Business District</th>
<th>Industrial area</th>
<th>Urban fringes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Law firm</td>
<td>1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturer</td>
<td>3</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Factory</td>
<td>3</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Retail shops</td>
<td>4</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Catering</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Bakery</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Mechanical shops</td>
<td>2</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Consultancy firms</td>
<td>3</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Stationary shop</td>
<td>1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer shop</td>
<td>1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial institution</td>
<td>1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boutique</td>
<td>1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Commercial Farmer</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Design &amp; furnishing</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Fabric specialists</td>
<td>1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmacy</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Petrol station</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Wholesale</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Media &amp; Advertising</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Construction</td>
<td>2</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Restaurant</td>
<td>3</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Laundromat</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Architecture &amp; designs</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Travel agency</td>
<td>1</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>38</td>
<td>11</td>
<td>6</td>
<td>21</td>
</tr>
</tbody>
</table>

(Source: survey results)

6.1.2 Employment size

To obtain background information on the individual businesses and also to test whether there was a correlation between the size of the business and their operations and practices towards the environment the number of persons employed by enterprises was collected.

More than half of the enterprises were in the smallest category with less than 10 employees. As seen in Table 6.2, 63% of the businesses employed between 1 to 10 people, 11% employed 11 to 20 people and 16% employed 21 to 50 people. The remaining 10%
employed more than 50 persons with only one enterprise employing more than 400 persons. This indicates that most of the enterprises in Apia are small business enterprises with less than 10 employees.

Table 6.2: Enterprise size by number of employees

<table>
<thead>
<tr>
<th>Number of employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 10 people</td>
<td>63%</td>
</tr>
<tr>
<td>11 to 20 people</td>
<td>11%</td>
</tr>
<tr>
<td>21 to 50 people</td>
<td>16%</td>
</tr>
<tr>
<td>51 to 100 people</td>
<td>2.5%</td>
</tr>
<tr>
<td>101 to 150 people</td>
<td>2.5%</td>
</tr>
<tr>
<td>151 to 200 people</td>
<td>2.5%</td>
</tr>
<tr>
<td>More than 400 people</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

(Source: survey results)

This assumption corresponds with most of the literature the researcher was able to obtain on the employment levels of the private sector in Apia. In a 1994 business survey by the Treasury Department, the survey found that 61% of 586 enterprises employed less than 10 persons and that the number of enterprises falls away as employment size increases. According to the Treasury Department, this was an indication of the importance of small businesses in Samoa (GoS & Treasury Department 1996:15). This same observation was reiterated by ADB in their report titled ‘Pacific Region Environmental Strategy 2005-2009’. According to the report, small and medium sized enterprises predominantly feature in the Pacific region, mainly as a result of the region having such a narrow market base to entice larger capital investments.
6.1.3 Duration of Operation

The majority (72%) of the enterprises that responded were established within 1 to 10 years, coinciding within the reform period (since the mid 1990s), while only 18% were in existence for more than 10 years. Of the 72%, 56% were established within the time frame with which PUMA was established (in 2004). This means that by law (PUM Act 2004), these enterprises would have had to apply for Development Consent from PUMA for the use of their land for purposes specified.

Table 6.3: Duration of doing business in Samoa?

<table>
<thead>
<tr>
<th>Years in business</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 2 to 5 years</td>
<td>32%</td>
</tr>
<tr>
<td>Between 5 to 10 years</td>
<td>26%</td>
</tr>
<tr>
<td>Between 1 to 2 years</td>
<td>18%</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>18%</td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>6%</td>
</tr>
</tbody>
</table>

(Source: survey results)

6.2 Perceptions of the Private Sector

6.2.1 Doing business in Samoa

The overwhelming majority of the respondents agreed that there had been some form of positive change in Samoa for the private sector since the introduction of government reforms in the mid 1990’s. In determining the levels of the positive changes, 66% of the enterprises stated that a lot of positive changes had occurred while 29% said that there has not been much of a change in doing business. A further 5% claimed that there have been no positive changes to doing business. None however claimed that doing business in Samoa had become worse off since the mid 1990’s.
The enterprises identified a variety of positive and negative observations on notable changes. The positive observations included; increased interaction with government Ministries, such as the Ministry of Commerce, Industry and Labor; closer collaboration with regional bodies; government seen as a positive stakeholder; the privatization of government contracts which has pushed enterprises to excel in their field of business; some utility services have improved, such as electricity and water supply; business confidence has boosted, and finally, an improvement in some business costs, citing cheaper costs for the importation of packaging materials.

On the negative side, some enterprises articulated that they have been under increased pressure to compete with rival businesses which in turn was affecting their usual clientele. Other notable negative impacts included: the delay by the government in removing the remaining tariffs on raw materials and enterprises viewing government’s efforts towards the private sector as ‘lip service’ only, as there were still several government policies that impede private sector growth. This was particularly evident in the agriculture area where criticisms have been rife on the perceived lack of government support to this sector. As reported by the Ministry of Foreign Affairs and Trade (2006), “the private sector continues to seek assistance from government to review and address current tariff anomalies so as to offer a level playing field against the inflow of foreign products”.

Moreover, according to a former senior member of the Ministry of Finance, most small and medium sized enterprises already find it difficult to run a successful business in today’s competitive environment without having to comply with environmental management regulations that put extra cost on running a business. This same sentiment was expressed by the Chief Executive Officer of the Ministry of Natural Resources and Environment
when he asked to comment on how environmental concerns could be mainstreamed into private sector operations. The officer stated that most small businesses in Apia were struggling to survive from day to day and that this in turn affects the way the private sector complies with environmental and planning regulation, especially the smaller sized enterprises.

This does not imply however that all smaller sized businesses do not comply with regulations, but rather the assumption is that smaller sized businesses find it difficult to compete in today’s global and local market economy because they are already facing problems relating to diseconomies of scale, distance from international markets, smallness of domestic markets and limited supply of skilled labor, to name a few (Technical Cooperation Project: 2001:72).

Of the larger sized enterprises however, there was an impression that it was actually these enterprises that contribute more to environmental efforts than the smaller sized enterprises. According to a representative of one of the larger sized enterprises (400 plus employees), their company performs various environmental measures in the form of mitigation, awareness programs and community projects, all of which are done voluntarily by the company. The representative provided four main reasons for the above.

Firstly, the business is owned by a multinational company whose owner is very conscious about the environment and as such expects all the businesses to be environmentally responsible. Secondly, the enterprise is a registered member of Underwriters Laboratories Inc, an internationally recognised company that certifies the compliancy of companies against various types of environmental management systems. In this case, the company is
compliant with ISO 14001: 2004. Thirdly, because the company has the largest workforce in Samoa, and which the enterprise is very much dependent on, the health and environmental safety of its employees is crucial to the company’s productivity. Finally, the representative alluded to the need to give something back to the community to show their respect and appreciation for the Samoan people.

As identified by the representative, some of the environmental efforts performed by their company include: the initiation, funding and implementation of a program to collect plastic bottles for recycling in Australia; the donation of plants to schools; the upkeep and maintenance of an urban garden for the employees and community to enjoy (featuring chairs and a ‘fale’ made from recycled plastic); and, the banning of products containing cadmium, chromium and arsenic within the business premises. The enterprise was also one of the very few companies in Samoa that recycles treated water from their waste treatment plant for use in the ablutions. Numerous environment materials were also available right throughout the factory as a general reminder to all the employees about various environmental issues, ranging from waste management, persistent organic pollutants and biodiversity.

Another larger sized company (100 to 150 employees) stated that they too implement a range of environmental measures even though they are not ISO accredited. According to the owner, because the company is obliged to comply with various international standards relating to food processing and exporting, they are also cautious of inducing any impacts that may affect the surrounding environment. With regards to waste management, the factory composts all of its organic by-products on site and drains all of its waste water
(from processing) to a nearby ravine which has a large soil capacity to absorb the waste water.

Suffice to say, the impression that larger sized enterprises in Samoa are being more environmentally conscious is similar to the observation in Singapore. According to a business survey in Singapore, the “employment size is linked, to some extent, to environmental effort, with the largest organizations tending to be more active” in environmental management (Perry & Singh 2001:17). It was also noted in Singapore that the larger sized enterprises were implementing a wider range of environmental action compared to the smaller sized businesses. This does not mean however that smaller sized enterprises are less aware of environmental issues, nor that smaller sized enterprises produce insignificant impacts. As noted in both the Samoa and Singapore studies, these enterprises generally produce a lesser range and volume of externalities in comparison to the larger enterprises, and as such also practice very minimal environmental practices.

It must be highlighted however that even a small mechanical workshop for example can negatively affect residents close by if its fumes, oil discharges and noise levels are uncontrolled by the proprietors. Basically, and as reiterated by ESCAP (2000), the levels of pollution generated by small businesses can be collectively substantial if left uncontrolled at the source. Furthermore, it is more difficult for environmental regulation to monitor such a large number of small businesses for compliance.

Despite these challenges however, the general perception of the respondents in the survey (66%) remain positive towards government’s recent reform policies. This would seem to reiterate an observation made in a 2003 Asian Development Bank Report. The report
claimed that the environment for doing business in Samoa has consistently improved in the past decade. The general indicators to support this view includes an improved financial market environment, improved air travel costs due to the introduction of Polynesian Blue, cheaper call rates due to the entrance of Digicel into the telecommunication sector, and a greater degree of public and private dialogue between partners.

During the discussion of specific government initiatives the majority of the respondents stated that their business operations had benefited from certain government reforms. Most respondents cited the reduction in income tax rates as the most beneficial while trade related initiatives was only selected by one business. Of the initiatives identified, seventeen of the thirty enterprises identified ‘reduced income tax rates’, eight businesses referred to the ‘out sourcing of government contracts’ and a further five enterprises identified ‘tax exemptions’, two stated ‘lowered duties’ and one stated ‘trade related initiatives’. Some companies indicated the use of more than one initiative.

6.2.2 Corporate responsibility

In this section a series of questions were asked to determine the views of the respondents in regards to corporate responsibility and the urban environment. As discussed earlier in Chapter 2, in many cases the private sector plays an influential role in environment issues and can contribute to a wide range of interests. In Samoa it has been recognised that the private sector has increasingly contributed to various community and government projects. Some examples include companies donating plants to schools, picking up rubbish in town, providing shopping bags, donating money for community activities and even sponsoring major events. Table 6.4 shows that 74% of the respondents stated that they have
contributed to various social activities across Samoa and thus have made some form of contribution to the wider community.

Table 6.4: Has your business contributed to any social, community, environmental or cultural activities?

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>74%</td>
<td>(28)</td>
</tr>
<tr>
<td>no</td>
<td>24%</td>
<td>(9)</td>
</tr>
<tr>
<td>Don’t know</td>
<td>2%</td>
<td>(1)</td>
</tr>
</tbody>
</table>

(Source: survey results)

Of the 28 enterprises that contributed towards social activities, the majority of enterprises (12) donated towards sporting activities while 8 enterprises contributed towards environment activities. These environmental activities include contributions for environment workshops, waste management programs such as clean up days, planting and the supply of shopping bags as a way to minimise the use of plastic bags. Other activities that the enterprises donated towards include; village and community projects, school prizes, the home for the elderly, the church, the fire brigade, those with disabilities. Some enterprises have contributed to more than just one social event.

To acknowledge the contribution of organisations to the environment, business or otherwise, the MNRE chose to formally recognize these contributions by creating an ‘Environment Award’ for organisations that have done remarkable work in this area. This award is presented annually during the Ministries Environment week and in 2007, was presented to Yazaki Samoa. The company had several impressive initiatives such as co-sponsoring a plastic recycling project. This activity involved the collection of plastic bottles all around the country by partnering with schools and other major companies and then sending the waste products to Australia for recycling. In addition, the company also
created an urban garden with seats and a public resting area all made from the recycled plastic that was sent back from Australia. According to the Chief Executive Officer of the MNRE, in recognition of this, the government formally gave the land to the company to manage as their own rather than leasing the area to them. The representative from the company explained during the interview, that international companies such as theirs are now more concerned about their reputation as well as having a good public image that they can be proud of.

In reviewing the responses to the questionnaire, are four key points were noted. Firstly, nearly all the respondents (37) agreed that the environment and its problems should be the concern of all, including members of the private sector. This view is unproblematic given that most would accept a simple argument that as the environment affects all members of a society then it is in everyone’s best interests to protect the environment. In an article on the state of the environment in Samoa, Taulealo ( ) raises several instances where the general public has contributed to improve the Apia urban environment by raising concerns to both the MNRE and the media regarding the poor state of urban Apia.

Secondly, nearly all the respondents agreed that the private sector had an important role to play in resolving urban environmental problems. Although there were differences on what exactly this role was, several replies stressed the need for the private sector to work together, not only as a sector but also in conjunction with the wider community, NGOs and government, in setting suitable policy, establishing proper guidelines and providing technical assistance and training.
Thirdly, most of the respondents also agreed that while some environmental business costs were being paid by the taxpayers and the communities, these costs should really be borne by the businesses that create these expenses. The respondents in their answers appeared to favor a user pays approach although there were several variations. The several approaches that were suggested included: sharing of expenses between the private sector and government; the creation of an environment fund to pay for these costs and contributed to by both the government, the private sector as well as the general public; and finally, the costs to be incorporated into business plans and recovered on a user pays system although in all eventuality this would probably mean the transfer of these costs to the consumer.

Finally, when asked to list the three most pressing environmental problems that the private sector could contribute towards, the majority (61%) cited water problems as their main concern. Other concerns that were selected by the respondents included in descending order, energy (47%), climate change (39%), deforestation (34%), and urban development (32%).

In contrast however, when asked about whether corporate responsibility should focus mainly on profits there was an almost 50% division. Forty seven percent agreed that the focus should be retained on the profit making role of businesses while fifty three percent argued that in addition to that role, enterprises had to also consider important issues such as the need for a good reputation, sound environmental practices as well as an understanding of issues affecting both Samoa’s economy and the community.

Those in support of the view regarding the importance of profits in the private sector were asked to identify the main reason why their businesses would ignore current environmental
regulations, 51% stated that they would cease complying if the related costs were too high. About 37% stated that they would always comply unless they lacked enough information to make an informed decision. A crucial point to note however is that 29% stated that the main reason they would stop complying with environmental regulations would be if there was a lack of enforcement. A further 6% indicated that they would ignore the current regulations if compliance was too time consuming.

Business enterprises views on how the government and donor agencies could assist with promoting or improving corporate responsibility in Samoa were also sought. Again a variety of recommendations were made with the largest group (45%) favoring the provision of awareness programmes. Other suggestions included: providing financial incentives and opportunities as well as a rewards recognition system to the private sector; creating a national environment dossier tasked with implementing policies and procedures that could promote a change from the bottom up; and lastly, the use of government directives and instructions to enforce the policies.

The following section reviews the operational aspects of the private sector and its relationships with the urban environment. The respondents’ awareness of environmental issues is discussed and any environmental policies and guidelines used to direct their business activities is identified. In addition, the levels of interaction is reviewed, both between members of the private sector themselves and with PUMA, the main regulatory authority for urban management.
6.3 Environmental Practices

6.3.1 Environmental Policy

Two types of businesses are examined in this section, the individual business and the collective business organisations. A collective business organisation is defined as an association or alliance of enterprises that work together to achieve common objectives.

6.3.1.1 Individual Businesses

Although the majority of respondents did not have a formal business plan to guide their activities and operations only four respondents had environmental provisions drafted into them. These four respondents were predominantly made up from the larger employers and contained clear articulated statements regarding the aspects of the environment that they were committed to.

6.3.1.2 Collective Business Organisations

An organization is an important resource that can bring great benefits to its members. The two main advantages of such organizations is that firstly, it allows individual entities to pool resources and work together for common goals and objectives and can produce greater outputs to benefit the organization and its membership. Secondly, umbrella organizations increase information sharing and collective training opportunities offered by the organization to its members. For business related organisations these activities increase the skills and knowledge base of its members and as such improve their capacity to compete within today’s global market economy. Moreover, the collective action of organizations can limit the pursuit for particularistic benefits thus making the organization a stronger and more cohesive force to reckon with when negotiations with other entities, such as government, take place.
Umbrella organizations therefore can play a vital role in ensuring that certain policies are enforced especially within its membership. As expressed by ESCAP (2000), these associations “can exert pressure on its members to act responsibly” towards the environment and that these can be in the form of “collective self-governance initiatives that can be equally, if not, more efficient and effective, than direct state intervention or regulation” (Maxfield & Schneider (1997:49).

In addition, it has been argued that when trying to introduce changes to a society, it is easier to convert institutions and work places through their professional codes of ethics rather than change the behaviors of society as a whole (Kibert (1999:10)). As stated by Kibert (ibid), “community behavior can be an enormous obstacle to achieving sustainability”. In this regard, the concerted efforts of umbrella organizations to develop internal environmental policies can complement and reinforce government regulations and penalties with regards to the environment.

At present, the business related organizations in Samoa have varying levels of policies regarding the promotion of environmental practices. The Samoa Association for Manufactures and Exporters (SAME), with a membership of 68 enterprises as of March 2007 has played a relatively active role in the past few years. In its 2004-2008 Strategic Plan, the organization stressed that one of its guiding principles, is to consider the impact of their activities on the environment. As such the organization has included in its action plan the need to conduct training programs relating to ISO 14,000 standards which contain environment related requirements. In 2006, the organization also conducted a workshop on Environmental Impact Assessment and the Planning and Urban Management Act 2004 as a means to update its members on current regulatory frameworks.
In comparison, the larger Samoa Chamber of Commerce has indicated that it currently does not have an environmental policy for its membership. In an interview with the President of the Chamber of Commerce, the researcher was informed that while the organization did not have a central environment policy, some of the members had individual enterprise policies for various reasons. It was further revealed that in his view, it was perhaps an opportune time for the association to start considering the environment in all aspects of the organization. With the membership of the organization exceeding 140 enterprises, the inclusion of environment issues into the charter would be a positive step towards raising awareness about environmental responsibility.

Of the enterprises interviewed, 63% (24) claimed that they were affiliated to other larger umbrella organizations. Nine (9) were with the Samoa Chamber of Commerce, five (5) with the Samoa Manufacturers and Exporters Association and two (2) with the Institute of Professional Engineers Society. The Samoa Hotel Association, the Victim Support Group, the Small Business Enterprise Cooperation and the Farmers Association were all represented in the respondents group by one member each. Three enterprises did not devolve this information while one enterprise cited ‘other’ organizations. The remaining 37% stated that they had no involvement with any organizations.

The participants who were members of larger umbrella organisations were further queried on the environmental management aspects of their organizations, and in particular on whether they were aware if their organization had an environment policy. As presented in Table 6.5, 29% of those with external affiliations were positive that their umbrella association had an environment policy while 21% stated otherwise and another 29% were
unaware of an environment policy. This shows that approximately half the enterprises were unsure whether their umbrella organization had an environment policy. One enterprise elaborated during the survey that it was yet to be invited by its umbrella organization to any workshops or meetings with government, and that the enterprise was concerned that information was not trickling down to the smaller members of the organization.

Table 6.5 Does the organization have an environment policy?

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<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>29%</td>
</tr>
<tr>
<td>no</td>
<td>21%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>29%</td>
</tr>
<tr>
<td>Did not respond</td>
<td>21%</td>
</tr>
</tbody>
</table>

(Source: survey results)

6.3.2 Environmental awareness

Every year, the Ministry of Natural Resources and Environment conducts numerous environmental awareness programs in which a wide selection of members of society from various backgrounds such as village communities, private sector enterprises, civil society groups, schools, and public offices are invited to participate. Over the past six years, the annual reports of the MNRE, as reported by IPA & MNRE (2007) show that on average, 15 national workshops, 50 district and village workshops, and 10 consultative meetings are held every year by the Ministry.

A senior officer in the information area of the MNRE advised that there was no definite way to account for private sector participation in the various activities although the Ministry sent out a large number of invitations to the private sector, including numerous open invitations through the newspapers, radio and television. In light of this, the
enterprises were asked if they or their business representatives had ever attended an environment awareness programme. Only 24% had attended environmental awareness programmes while 76% of the respondents stated that they had never participated in such activities.

As indicated in Table 6.6, the most common reason for non-attendance was due to the proprietors being too busy during business hours to attend the programs (41%). The second reason as relayed by 28% of the enterprises, was the lack of awareness of such programmes and activities. Other responses included inappropriate timing (17%) and a waste of time (3%).

Table 6.6 Why were you not able to attend?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>No time / too busy</td>
<td>41%</td>
<td>12</td>
</tr>
<tr>
<td>Timing not appropriate</td>
<td>17%</td>
<td>5</td>
</tr>
<tr>
<td>Not aware of them</td>
<td>28%</td>
<td>8</td>
</tr>
<tr>
<td>Waste of time</td>
<td>3%</td>
<td>1</td>
</tr>
<tr>
<td>Did not respond</td>
<td>11%</td>
<td>3</td>
</tr>
</tbody>
</table>

(Source: survey results)

If this group is indicative of the attitudes of the rest of the urban based private sector then it would appear that a substantial number of the private sector are unable to attend environmental awareness programmes. From these results it is observed that in order to get the environmental messages across to the private sector, the Ministry needs to re-evaluate its awareness raising methods, and instead of running some programs during the day, the evening or night sessions could be trialed.

6.3.3 Multilateral environmental agreements and regional conventions.

Samoa has signed, ratified and acceded to 21 multilateral and regional agreements that focus on some aspect of the environment. These international instruments are important
because many of these environmental treaties require the development of domestic policies and laws that could potentially affect business operations. For instance, Samoa recently passed the Ozone Protection Regulations which is based on the Montreal Protocol. These Regulations introduced a licensing system to control and monitor the importation of ozone depleting substances into Samoa (MNRE 2004:34). In effect the operations of local refrigeration and air conditioning companies were affected as they had to do away with products that contained chlorofluorocarbons and other ozone depleting substances. Therefore it is vital for businesses to be aware of commitments taken on by the government as these could have drastic effects on the business’ activities.

Central to the passing of these treaties is the need for consultation between the government and the private sector. In 1992, the Rio Earth Summit saw a significant response from the private sector as the event “focused both public and corporate minds on the issue of environmental degradation and sustainable development” (Utting 2000:5). It has since been widely accepted in the international arena that laws and policies that are to be derived from international treaties must have been discussed with other sectors of society to verify collaboration, participation and ownership of these national plans.

Business enterprises’ knowledge of Samoa being party to over 21 multilateral and regional treaties showed that 84% claimed that they were not aware of this. The 16% that were aware, had obtained this knowledge through either some involvement with environment consultancy work for the government or had been involved in a few environment workshops organised by the government. Umbrella organisations such as the Samoa Chamber of Commerce, the Samoa Association for Manufacturers and Exporters and the Samoa Umbrella for Non-Governmental Organisations, indicated that they have been
involved with discussions and workshops pertaining to various treaties. These were during the formulation and implementation of action plans and as such had had very little input prior to the accession or ratification of many of these conventions. Some enterprises indicated that they would like to take part in discussions with government regarding signing up to future international agreements.

An important part of Samoa’s accession to these treaties are the spin off benefits received through the implementation process. There is an increasing trend of local companies submitting and winning tenders to draft technical reports for these treaties on behalf of the government. This is beneficial for both the government and members of the private sector. Such arrangements not only relieves pressure from an understaffed Ministry to meet its donor and treaty deadlines, it also directs donor funds to locals. More importantly, many environmental treaties and conventions provide enabling funds to facilitate governments’ obligations. Many line ministries “actively encourage national commitment to global conventions and agreements” for the purpose of obtaining financial resources from funding bodies to complement the miniscule budgets that they receive from the government (ADB 2004a:48). These funds cannot be received unless ratification and accession to the agreements take effect.

Despite these funding mechanisms, several constraints remain nonetheless. One of which relates to governments capacity in terms of numbers, knowledge and technology to meet the requirements of the treaty and secondly, there is ample concern regarding the funding aspects of the treaty, this includes sustaining the programmes when funds from donor agencies are exhausted (IPA & MNRE 2007:122). In recognition of the above, the Asian Development Bank (2004a:48), raised the matter as an essential governance issue because
although Pacific Island countries seem so willing to sign on to and participate in a variety of regional and global plans of action the governments “rarely follow through with comprehensive national action plans, budgets and staff to implement these undertakings”.

The study shows that private enterprises have minimal involvement with international treaties, however there is a notable involvement and contribution of the private sector in developed countries to the coffers of treaty funding mechanisms. ESCAP (2000) reported that since the adoption of Agenda 21, the transfer of funds from developed to developing countries have come increasingly year after year from private sources rather than the public sector. This is an indication of the importance of rallying the private sector as a partner in the quest for sustainable development goals.

6.3.4 Environmental and social impacts from business operations:

Part of this study is to identify the types of business induced impacts that commonly affect the quality of life of a mixed residential and business community within the urban areas of Apia. The business enterprises were asked to clarify whether their operations generated any waste by-products and emissions, as well as to identify what they are. They were also asked to name the types of mitigation measures that they had in place to minimise the impact of these by-products on the surrounding environment. The study showed that 63% stated that their business operations produced a variety of by-products and emissions. These enterprises identified a wide range of waste types such as waste water discharge, plant cuttings, dust, soil runoff, scrap metals, noise, oil, fuel leakages, air emissions, chemical releases, smell, waste paper, cardboards, glass, plastic crates, plastic drums and, fumes. Waste water discharge and scrap, cardboard and paper waste are the main by-product produced.
Table 6.7 shows that 47% of the enterprises producing waste (of 63%), claimed that they had implemented mitigation measures to deal with their by-products and emissions, while 37% stated that they had no measures in place. The remaining 16% was made up of business proprietors who were perhaps unsure of what mitigation measures were (5%), and those who did not respond to the query (11%). The study showed that mitigation measures imposed by enterprises included reusing wastes, composting, discharging to open drains, using rubbish bins, waste water treatment plants (only 2), the regular maintenance of machinery and the use of environmentally efficient technology such as duplex photocopying and metered air conditioning systems. Most of these measures are simple and inexpensive to implement, although for the larger companies that implement waste water treatment plants and metered air conditioning, the costs are quite high.

Table 6.7: Responses on environmental impacts & mitigation measures.

<table>
<thead>
<tr>
<th>Questions asked</th>
<th>Yes (%)</th>
<th>No (%)</th>
<th>Don’t know (%)</th>
<th>Did not respond (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the business produce any by-products (waste)?</td>
<td>63</td>
<td>31</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Do you have any mitigation measures in place to deal with these by-products?</td>
<td>47</td>
<td>37</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Has your business been affected by activities of a nearby business?</td>
<td>34</td>
<td>66</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Has your business received any complaints from nearby businesses or community members (Source: survey results)</td>
<td>42</td>
<td>58</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The mitigation measures selected by the respondents reflects what the respondents viewed as the main constraint when applying such actions. About 32% are concerned that mitigation measures were too costly to implement, 16% claimed that it was difficult to find the appropriate technology. Other respondents said that they needed specialised skills (8%). Most businesses are not sure of what to do and as a result they ended up not doing
anything. One example is the statement from one enterprise complaining that the Tafaigata landfill for the disposal of rubbish is too far away thus making it costly for business to transfer their wastes for disposal.

Table 6.8: Any concerns regarding the provision of mitigation measures?

<table>
<thead>
<tr>
<th>Concern</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficult to find appropriate technology</td>
<td>16%</td>
</tr>
<tr>
<td>Need specialised skills</td>
<td>8%</td>
</tr>
<tr>
<td>Too costly</td>
<td>32%</td>
</tr>
<tr>
<td>Other</td>
<td>18%</td>
</tr>
<tr>
<td>Did not respond</td>
<td>26%</td>
</tr>
</tbody>
</table>

(Source: survey results)

In terms of impacts on business operations, 34% of the businesses stated that the business is affected by the activities of other nearby enterprises. Those affected identified a range of impacts such as, excessive noise, blockage of road reserve (public road), strong odor, dust, loss of revenue due to competition, car park used by other businesses, traffic generation and, rusting containers and pests and mosquitoes from an adjacent yard. The majority of the enterprises did not seek assistance from a regulatory authority regarding the nuisances although one enterprise approached the PUMA while another sought help from the Ministry of Health. Most enterprises however did not seek any help from an external body regarding the nuisances.

Similarly, forty two percent stated that they had received complaints from nearby residents and businesses regarding their business activities, while 58% did not receive complaints. These complaints include excessive noise, fumes and smoke, after hour works, oil discharges, dust, smoke from burning rubbish, traffic, and strong offensive smell. Complaints were mostly on offensive smells emanating from manufacturing waste, fuel and oil and treatment plants.
What is obvious from the survey and also from the records of grievances filed with PUMA is that most of the problems in the Apia urban area were created many years earlier, when businesses were firstly established in Samoa, at the time formalized physical and spatial planning was non-existent (Taulealo ( ), Jones & Cocks (2002)). Therefore, finding adequate solutions for such complex problems is extremely difficult because the problems have accumulated over the decades. To illustrate this point, Troy (1996:128) maintained that it would be very hard to increase the level of privacy or to improve the level of amenity once an area has been developed. Central to this argument then is the need for amenity issues to be taken into account and resolved in the initial design of the development, or else privacy and amenity concerns would continue to be compromised for a long time.

However, some researchers have argued that in many developing urban cities, the frequent occurrences of the adverse environmental impacts are not because there are no environmental laws in place, but rather because the laws are very weak and unevenly applied (Mattingly 1993:114). It can be said that this was also the case in Samoa. Samoa’s primary environmental law, the Land, Surveys and Environment Act, was only enacted in 1989 when urban developments were very much uncontrolled and uncoordinated. Although this law finally introduced environmental policies into formal legislation, the Act itself needed the introduction of several pieces of secondary legislation to strengthen it, the majority of which are still yet to be drafted and endorsed by Cabinet.

The Planning and Urban Management Act, when enforced in 2004, was considered as the answer to uncontrolled development in both the urban and rural areas, however like the initial principal legislation, the law was developed after many years of unhindered
developments throughout Apia, not only by the business community but also by the urban residents and Government alike. Having inherited such a complex mix of unbridled land use, PUMA is working to put some sense of order to the chaotic pattern of development in Apia and this needs effective regulations, guidelines, codes and policies to influence coordinated development planning and improved amenity conditions.

Kohlhase (2006) refers to the PUMA Act 2004 as the machinery to resolving specific disputes about nuisances impacting on resources and amenity levels, because it gives authority to planners to mediate between the private interests of different groups versus the public interest. Accordingly, the agency investigates complaints received to confirm complainants concerns and to determine the preventative strategies needed to mitigate or mediate the concerns.

Between June 2006 and June 2007, seventy six complaints from the public were received by PUMA (PUMA: 2007). The complaints were similar to those identified in this study. Two complaints were on excessive dust, thirteen on offensive materials, seven on offensive odour, four on septic problems, twenty four on waste disposal, thirteen on waste water discharge, seven on drainage, two on stray animals and four on excessive noise. In response, the Agency drafted and approved the following policies to cater for the amenity and development demands of the public. These policies include:

- Parking Policy – approved 2006
- Noise Policy – approved October 2006
- Signage Policy – approved October 2006
- Telecommunications Facilities Policy – approved October 2006
Codes of Environment Practice (revised) – approved April 2007

Other policies that the Agency is currently developing include guidelines and management plans for; container terminals, industries, drainage and waste water. The Agency is working closely with various donor agencies in developing and implementing projects relating to; sustainable aggregate supply, coastal infrastructure management plans, sustainable management plan for the industrial area as well as flood plans for the Apia urban area.

This shows that the Agency’s’ response to public complaints is reactionary in nature and this is due to several reasons. Firstly, the agency was only given an official mandate to work from in 2004, secondly, the agency has been working to fill in the policy gaps that have been missing for so long and thirdly, developments are preceding faster than planners can formulate plans to guide them. According to senior PUMA Officers, further constraints arise when policies are put to the test. Businesses either disregard them or the proprietors don’t have the means to expedite the expected requirements of the Agency because of the lack of funds or the lack of technical know-how and affordable technology.

6.4 Analysis of Findings

6.4.1 Government Reforms

Although it was very difficult to determine whether the government reforms that commenced in 1996 were directly responsible for an increased competition and increased utilization of resources, it is evident from the perceptions of the business enterprise that a large number of the private sector would feel so. From the replies of the respondents, there was an overwhelming agreement that there had been positive changes to the Samoa economy because of the government reforms and nearly two thirds described these changes
as substantial. Eighty percent of the enterprises stated that they had benefited directly from specific government reforms citing the reduction of income tax rates, the continuation of tax exemptions as well as the outsourcing of government contracts to be the most beneficial. Moreover, several of the respondents stated that the reforms had resulted in intensified economic competition in the private sector which had in turn placed pressure on their business operations.

According to several financial reports (KVA (2007), GoS & MoF (2005b), GoS & MoF (2006), ADB (2003)) Samoa’s economy has undergone both a gradual growth in the past ten years and a major transition with several economic benefits recorded such as:

- Real GDP growth maintained over the last 10 years;
- Growth in key industries such as commerce, transport and communications, other manufacturing and finance and business services;
- A rapid growth in the finance and business industry;

This results in an optimistic view on Samoa’s future with GDP growth estimated to remain between 3-4% from 2007 to 2010 although it has been accepted that there are still daunting challenges to overcome especially with natural constraints such as the high operational costs associated with geographical isolation to foreign markets as well as the small and vulnerable resource base (KVA (2007) & ERI (2003)).

6.4.2 Adherence to environmental practices

Various factors would appear to affect private sector compliance with environmental regulations such as costs and complexity of procedures. A common complaint among businesses is that the regulation system creates excessive costs that hurt business
productivity and profits and that they are mostly time consuming procedures (Prakash & Pototski 2006:6). Various literature (Lovei and Gentry (2002), the Asian Development Bank (2004a), Prakash and Pototski (2006)), have recognised that environmental regulations are often difficult to enforce as they are invariably seen by many in the private sector as a hindrance to developments and business operations. According to the enterprises, the main constraints to voluntary compliance with environmental regulations, are excessive cost, lack of information and the lack of enforcement of environmental laws. It was observed that most businesses were concerned about the costs and secondly, the size of the business influences voluntary compliance and adherence to environmental provisions.

Samoa’s private sector is dominated by small businesses with about 80% having less than 10 employees (ERI 2003:7). Similarly, this trend was reflected in the make up of the businesses in the study (see 6.1.2). This adheres to a regional trend detailed in the ADB Report titled ‘Pacific Region Environmental Strategy 2005-2009’ (2004a) which stated that small and medium sized enterprises featured predominantly in the pacific region, mainly as a result of the region having such a narrow market base to entice larger capital investments.

The study observed that larger businesses were more active and vocal on environmental issues related to their activities. These businesses generally had well stated guidelines and policies with two actually sponsoring national plastic recycling projects. The study shows that adherence to environmental practices is more prevalent among the larger organizations. This fits with a model in Singapore described by Perry & Singh (2001), where the “employment size is linked to some extent to environmental effort, with the largest organizations tending to be more active” in environmental management. In Singapore, the
larger sized enterprises were also implementing a wider range of environmental action than the smaller sized businesses.

In Samoa, the relative lack of adherence to environmental practices is due to the inability of the smaller enterprises to do so. According to senior officials in the Ministry of Finance and MNRE, these smaller businesses find it difficult to adhere to environmental regulations because of the limited resources. Therefore the smaller businesses in Apia are struggling to survive in the difficult global economy. These views are supported by a Technical Cooperation Report (2001:72) on the competitiveness of Samoan enterprises, which states that smaller sized businesses find it difficult to compete in today’s global and local market economy as they are already facing problems relating to diseconomies of scale, distance from international markets, smallness of domestic markets and limited supply of skilled labour. The study agrees with the above statement by the Technical Cooperation Report as most of the businesses made reference to their smallness in size as being a significant constraint in determining what types of mitigation measures they use.

Moreover, it could be argued that the larger companies spend more on the environment because their activities create more negative impacts than the smaller employers. For example, Samoa Breweries Limited & Yazaki Samoa, two of the larger companies in Samoa, both created substantial amounts of waste with one company citing a waste bill of $3,000 per week. As such, more public scrutiny is placed on their activities with one multinational corporation more concerned with its international reputation than the local environment regulations.
It was observed that about one fifth of the businesses stated that the main factor affecting their voluntary compliance was the lack of enforcement by the regulatory bodies. This would tend to support the idea that in the absence of a strong enforcement commitment by regulatory authorities, a significant number of businesses would not conform to regulatory provisions.

6.4.3 Environmental impacts

Some enterprises observed that waste and byproducts from enterprises in the urban area have an impact on a significant number of urban businesses. For example, 63% of the respondents admitted that their business operations produced a variety of by-products and emissions of which waste water discharge and scrap, cardboard and paper waste were the main byproduct produced. Of this 63%, about a third of the businesses did not have any mitigation measures in place. The 47% who had imposed mitigation measures for the most part identified a very small range of mitigation measures such as, reusing wastes, composting, discharging to open drains, using rubbish bins, waste water treatment plants, the regular maintenance of machinery and using environmentally efficient technology such as duplex photocopying and metered air conditioning systems.

A significant number of enterprises also stated that their business activities had either been impacted by activities of neighboring enterprises (34%); or in turn had impacted neighboring businesses resulting in complaints being made (42%). Although the impacts reported may not have been great, it is evident from the responses that a large number of businesses were being affected by environmental issues in the urban area. The majority of the respondents stated that these had been resolved, however how it was resolved was not ascertained.
6.4.4 The Private Sector and PUMA

It was observed that 55% of the enterprises had had dealings with PUMA regarding different issues. Most of these contacts were for consultations during the development consent process when the businesses were first formed. Although a large portion of the respondents had claimed that their businesses had been impacted upon by environmentally related activities of neighboring enterprises, only one enterprise admitted to approaching PUMA to lodge a complaint against a neighbouring business. This suggests that the private sector do not utilize PUMA to resolve environmental problems. However, according to PUMA annual reports, between June 2006 and June 2007, seventy six complaints from the public were received by the Agency regarding various issues of which the complaints were mainly on waste disposal, waste water discharge and offensive materials (PUMA: 2007). Unfortunately, PUMA did not keep statistics as to what percentages of the complaints were private sector related; therefore the extent of private sector involvement in the complaints process cannot be determined. PUMA will therefore need to review its role as a mediator in environmentally related disputes in order to ensure a better implementation strategy in dispute resolution is derived for the private sector.

It was observed that PUMA is facing a daunting task. With limited staff members it must perform a variety of functions such as daily consent application processing for future developments, drafting of new policies and guidelines on areas that many Samoan people would consider unnecessary (such as signage and car park policies) while at the same time addressing the multitude of problems resulting from uncontrolled building in the Apia urban area over the years. While the number of complaints was not overly large, according to a
PUMA officer, in many cases the complaints relate to disputes that had begun many years before the creation of the Agency.

An important aspect to consider is that businesses formed after the introduction of PUMA (in 2004) have had dealings with the Agency to obtain development consents for their business premises. These initial contacts are vital and should be used by PUMA to introduce the role of their Agency and raise awareness of the private sector regarding the regulatory framework. This is especially vital given that the Agency have been forced to introduce several new guidelines and national policies over the past few years.

6.4.5 Private Sector Priorities

Various literature (Lovei and Gentry (2002), the Asian Development Bank (2004a), Prakash and Pototski (2006)), have recognised that environmental regulations are often difficult to enforce as they are invariably seen by many in the private sector as a hindrance to developments and business operations. While most of the enterprises agreed that it was everyone’s responsibility to protect the environment including the private sector; and that the private sector should be held responsible for the environmental costs of their activities, however when questioned about who should pay for environmental business costs the responses were divided. While most businesses supported a type of user pays system it was evident that only a few believed that the costs should be borne solely by the businesses. Similarly, while most of the businesses admitted to making contributions and donations to sporting, environmental and community projects, slightly more than 50% agreed that the businesses main responsibility was to return profits for the business and that costs (for compliance & technology) could be blamed as the number one reason for their failure to adhere to a specific environmental regulation. As discussed, when the businesses were
asked why they had not attended government sponsored environmental awareness programmes about 61% answered that either they did not have enough time, the timing was inappropriate, or that the programmes were a waste of time.

6.4.6 Environmental Awareness

It is observed in this study that the level of awareness in the private sector is very low. Most businesses were unaware of various issues pertaining to Samoa’s environment such as the Conventions that affected local policies and the existence of environmental guidelines and procedures in the charters of the business related umbrella organizations that they belonged to. Of the 16% that had acknowledged their awareness of the various conventions, most were those who either worked in the environment field and/or regularly attended government sponsored awareness programmes.

In terms of their participation in the numerous government sponsored awareness programmes held each year, more than 75% admitted never having attended one. Although the main reason given for non-attendance was the lack of available time, 21% stated that it was the lack of awareness of the programmes. These low levels of attendance to the government programmes is of special significance because although most of the businesses did not have sufficient free time to attend, when asked how government and donors should assist them in adhering to environmental regulations, the largest proportion (45%) answered that government needed to run awareness programmes.

6.4.7 Collective Business Organisations could be used to promote environmental issues

As discussed before (6.3.1.2), both business related umbrella organisations, SAME and the Chamber have very sparse environmental policies and guidelines. While the Chamber has yet to include any formal policies, SAME’s general guidelines contained in its strategic
plan and the trainings offered are minimal and its individual members are more aligned to international standards and guidelines rather than domestic regulations.

Business related umbrella organizations such as SAME and the Chamber of Commerce have great potential to be agents of change in the community. They both have a relatively large membership (63% of the respondents said they were part of an Organisation) and formulate policies and procedures adhered to by their members. As discussed earlier, this has two advantages. Not only can these organisations exert self pressure on its membership to promote certain interests, but on a national level. It has been argued that changes to societal behavior are easier to introduce through the introduction of a work based code of ethics such as work guidelines (Kibert (1999:10). Therefore, if the government is to utilize this powerful tool to introduce self regulated guidelines and to assist in both raising awareness level and changing attitudes towards environmental regulations, the umbrella organisations can play a major role.

6.5 Conclusion

The private sector raised several key issues affecting Samoa’s urban and environmental management systems. The inadequacies and limitations faced by the private sector in minimizing the impacts of their business activities on the environment, show cause for new initiatives to improve capacity and knowledge of the sector. Other concerns raised point at the need for further consultations in national policy development. However, the potential of the private sector to positively influence urban and environmental management in Samoa was also observed and which effective strategies would be required from both government and the private sector in bridging the gaps identified in the study.
The next chapter provides concluding remarks about the study, providing a brief summary of the intent of the study to confirm whether the objectives have been achieved. Recommendations on the way forward are also proposed.
Chapter Seven

Conclusion and Recommendations

7.0 Introduction

This chapter reviews the purpose and objectives of the study to determine whether the study has achieved its expected outcomes. It examines both the intentions and the findings of the study before providing recommendations on ways to improve Samoa’s private sector involvement in urban environmental management and sustainable development.

7.1. Private Sector influence on the urban environment.

The main focus of the study was to investigate and discuss the influences of the private sector on the urban environment, looking at the perceptions and experience of the private sector on urban and environmental management. With the government focus for the past decade predominantly on promoting the private sector as the engine of growth, in the interests of ensuring that this strategy is sustainable, it is vital that we examine both the views and the effects stakeholders have on urban environmental issues. Private sector growth and increased competition leads to the private sector placing more demands on Samoa’s resources and environment, especially in the urban area where the majority of businesses operate. The main concern is that without a proper and effective urban environment regulatory system, there would be an immense negative impact on the urban environment. The study focuses on reviewing the attitudes and levels of interest in the private sector towards urban environmental policies and issues as well as investigating any contributions that the private sector could make towards national policy formulation and urban regulation.
Throughout this analysis, a common issue investigated was the level of interaction between the business community and the urban environment regulatory authorities such as the Ministry of Natural Resources and Environment and PUMA. Understanding the urban environment perceptions and problems faced by businesses would greatly assist the government in formulating policies to reconcile the often differing interests of groups focused on economic development on the one hand, and the views of environmental managers, planners and policy makers on the other. Using the results and findings of the study reported in chapter six, specific strategies can be developed accordingly.

7.2 Promoting Environmental Awareness

Several findings regarding the private sector and its relationship with the urban environment were made during the course of the research. These findings were on various issues such as the current situation that the private sector now finds itself in after a decade of economic reforms; the levels of awareness of environmental issues and the levels of private sector compliance with related regulations.

Firstly, the private sector plays an important role in promoting the sustainable use of resources to benefit the urban environment. As a major stakeholder in the urban area, a large percentage of the businesses produce commercial waste and by-products that can affect their neighbors and at least one third of the businesses interviewed admitted to being affected by such activities. All the businesses interviewed agreed that the private sector should share both responsibility and costs for dealing with environmental issues in the urban area. Moreover, the private sector has a significant amount of influence given the fact that the private sector has been the main focus of government’s economic reforms for the past decade. Given the vital role that the government has assigned the private sector as
the ‘engine of growth’ for the Samoan economy, it is only logical that policy makers pay attention to any concerns that this ‘engine’ may have.

Secondly, the current private sector capacity to assist in promoting urban environmental concerns is limited. If the private sector is to successfully play an important role in urban environmental management then as a group they will first have to raise their levels of awareness and participation in environmental issues. The study showed that most businesses interviewed were not aware of international and national policies that shaped the urban environment concerns and regulatory framework. Seventy-six percent of the businesses surveyed admitted to never having participated in any of the MNRE’s numerous annual workshops held throughout the country because they ‘were too busy’ and lacked available time to attend, or they were unaware of the workshops. In terms of capacity, the main issues were that many of the businesses lacked the capacity to incorporate environmentally friendly practices into their operations. The study showed that many of the smaller businesses struggled with costs of adhering to environmental policies. The costs were identified as the main reason behind not complying with environmental regulations or to forgo environmental mitigation measures.

Thirdly, to build private sector capacity in the development of the urban environment, government will have to introduce policies that will assist the private sector. This begins with government introducing policies that will allow the private sector to obtain more ownership of environmental policies. For example, according to the study, the private sector has had little input into the formulation of urban environmental policy. While collective organisations such as SAME and the Chamber of Commerce have been involved in government committees and working groups, according to the descriptions from the
representatives involved, these have mostly been at the implementation stage. Granting the private sector earlier access to the policy formulation process would ensure that this important group was better informed of the issues and allow them better participation in the creation of regulations.

Moreover, according to the study, the private sector representatives identified two main types of assistance from the government that they would require being mainly in the form of awareness programmes and incentives. While numerous awareness programmes are all ready being performed by the MNRE annually, government assistance will have to be more focused and flexible if it is to reach the seventy six percent of the private sector (surveyed) that have never attended these meetings mainly because they were too busy. It was noted that the only members of the private sector that had incorporated environmental policies into their operations had economic incentives to do so. Most of these businesses were larger exporters or branches or subsidiary companies of international corporations where either international standards or corporate image played a large role in their activities. This also explains why the Exporters Association (SAME) had incorporated an environmental policy into its 2004 to 2008 strategic plan.

Other possible government policies that could assist the private sector would involve reducing compliance costs for individual businesses. This could be by reducing any government related costs related to compliance with environmental regulations as well as introducing some scheme of mitigation incentives. One method discussed earlier in this research was the use of collective organisations to adopt self regulatory guidelines and procedures. These collective organisations including the Chamber of Commerce and SAME have both the resources and the power to regulate their membership and they can
lay a vital part in both formulating internal and national policies and drafting business related guides and plans incorporating environmental best practices and procedures. As the costs would be borne by the organisation as a whole, it would ease the cost and burden of smaller individual members from having to draft these policies themselves.

The final finding is that government will need to ensure that PUMA implement a fair and transparent regulatory system to monitor urban environment related activities. As noted earlier (Chapter 2), the environmental regulatory systems in many countries have failed not due to the absence of environmental regulations but due to the uneven and lax application of the law. While positive incentives may be necessary to entice businesses to adopt environmentally sound policies, effective sanctions are even required even more so to discourage businesses from breaking the law. PUMA and other related urban regulatory authorities will have to take this role seriously to ensure that development policies are implemented effectively to ensure the integrity of the system.

7.3 Recommendations

Having reviewed the findings of the research and as part of the Government of Samoa’s commitment to sustainable development and economic growth, it is recommended that the government:

- Develop relevant indicators and statistics to enable necessary Agencies to both measure and quantify environmental change as well as identify the causes. At present the lack of quantifiable indicators greatly inhibits the capacity to collect and collate relevant statistics. The lack of such statistics not only restricts the capacity of policy makers to make informed decisions but also makes planning at all levels difficult given the lack of data to justify the allocation of resources. The Statistics
Division of the Ministry of Finance and the Ministry of Natural Resources and the Environment would be responsible for developing the necessary indicators.

- Incorporate environmental principles and concerns into all national strategies, not just as cross cutting issues but as core objectives that need to be discussed at the outset by all participating stakeholders. This is necessary to centralise the policy focus on environmental and urban development issues to ensure the issues raised are given appropriate consideration. Once objectives are set at the National Planning level then these objectives can be incorporated into sectoral plans for implementation.

- Develop measures and initiatives to improve the capacity of business proprietors in the private sector to comply with urban environmental management principles. Specific focus should be placed on how businesses can be assisted in implementing business practices and mitigation measures that reduce adverse effects on the environment. Providing guides or checklists on environmental problems typical to certain types of businesses or specific urban areas would reduce the expertise, knowledge and most importantly costs for businesses to comply.

- Encourage collective business organisations such as the Chamber of Commerce and SAME to incorporate environmental principles and practices into their activities, strategies and action plans. Providing incentives to these Organisations to establish both internal guidelines and self-regulatory mechanisms for their membership would lessen the resources required by government to enforce environmental regulations.

- Continue to devise more effective ways to promote environmental awareness and participation amongst business proprietors so that regulations are understood as
positive processes that need to be engaged constructively. Given the large number of businesses that have not attended the several environment awareness programmes hosted annually by the MNRE, options should be studied on how the programmes can be made more suitable to the time available to the business community.

7.4 Conclusion

In the absence of appropriate environmental indicators this study has been based on information from previous literature as well as facts and views obtained from members of the private sector through interviews and questionnaires. While it has been helpful and useful in providing a glimpse of the beneficial opportunities available for both the private sector and the urban environment, it is only a first step. More research is required to truly determine the direct impacts of the more competitive private sector in various areas of the urban environment. In addition, the above recommendations should shed light on some key areas that should be investigated to assist the urban regulatory authorities such as PUMA and MNRE in performing their duties as required by law.

At the center of the recommendations is the need for government to build the capacity of the private sector to become a true partner not only in the area of economic development but also as a partner in ensuring the sustainable use of resources and the management of Samoa’s urban environment. According to the businesses interviewed, the private sector want to help, but they need coordination, cheap and cost effective ways to comply and maybe just a little bit of motivation. Therefore the government and the private sector needs to address the issues identified in this study and work in partnership with each other to ensure that Samoa’s resources are used in a sustainable and efficient manner and that the
Samoan people are not inadvertently affected by individual quests for economic growth and development.
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APPENDIX 1
Pacific Institute for Advanced Studies in Development & Governance.
University of the South Pacific – Fiji

All information submitted by the respondent will be kept confidential and will only be used for analysis purposes of the study.

Research Focus: Private Sector Growth, Environment & Sustainable Development.

PART 1: Personal Information Date: …….07/07

1. Name of respondent

2. Gender of respondent □ Male □ Female

3. Which sector do you work for?
   □ Public Service (Govt) □ Private Sector □ NGO
   □ Church □ Educational Institution □ Diplomatic Office
   □ Regional Office □ not working
   □ Other (please state) ..............................................................

4. Name / Title of Organisation, Business, Institution?

5. How long have you been working in this sector?
   □ less than 1 year □ 1 year to 2 years □ 2 years to 5 years
   □ 5 years to 10 years □ more than 10 years

6. What type of service does your organisation / business offer the public?
   □ Public administration □ Regulatory □ Tourism
   □ Construction □ Retail □ Wholesale
   □ Financial □ Manufacturer □ Factory
   □ Other .................................................................

7. How many people are working in your business/ organisation?
   □ 1 to 10 people □ 10 to 20 people □ 20 to 50 people
   □ 50 to 100 people □ 100 to 150 people □ 150 to 200 people
   □ 200 to 400 people □ more than 400 people

PART 2: Economic & Environment Policies

8. Are you familiar with any of governments policies aimed to boost private sector performance such as:
   □ Reduced income tax rates □ reduced import duties
   □ tax exemptions □ Privatization of govt contracts
   □ trade related initiatives □ Incentive schemes
   □ others

8a. Has your business benefited from any of them?
   □ yes □ no □ don’t know

8b. Has there been much positive changes to doing business since these policies became enforced?
\[ \square \text{No change} \quad \square \text{Not much change} \quad \square \text{A lot has changed} \quad \square \text{worse off} \]

Please describe: ...........................................................................................................................................

8c. How has your business / organisation been affected by these policies?
\[ \square \text{More business opportunities} \quad \square \text{Less financial costs} \]
\[ \square \text{more competition} \quad \square \text{Less bureaucracy} \]
\[ \square \text{Better networking} \quad \square \text{better govt support} \]
\[ \square \text{Not much} \quad \square \text{other} \]

9. Does your work have a business plan, corporate plan or any plan of a similar nature that guides the operation of the business?
\[ \square \text{yes} \quad \square \text{no} \quad \square \text{don’t know} \]

If yes, please state:

9a. Does the above plan contain any provisions regarding the environment?
\[ \square \text{yes} \quad \square \text{no} \quad \square \text{don’t know} \]

9b. If no, why was it not included?
\[ \square \text{not an important output} \quad \square \text{not your responsibility} \]
\[ \square \text{does not need to be included} \quad \square \text{don’t know} \]
\[ \square \text{other} \]

10. Does your business / organisation follow any standards, guidelines, policies relating to your work?
\[ \square \text{yes} \quad \square \text{no} \quad \square \text{don’t know} \]

what are they?

PART 3: Business responsibility

11. Does your organisation / business produce any waste by-products?
\[ \square \text{yes} \quad \square \text{no} \quad \square \text{don’t know} \]

11a. What are they? Please tick any of the appropriate boxes?
\[ \square \text{waste water discharge} \quad \square \text{air emissions} \]
\[ \square \text{scrap metals} \quad \square \text{paper / cardboards} \]
\[ \square \text{plant cuttings} \quad \square \text{food scraps} \]
\[ \square \text{noise} \quad \square \text{smell} \]
\[ \square \text{dust / soil runoff} \quad \square \text{chemical releases} \]
\[ \square \text{oil, fuel spillage/leakages} \quad \square \text{fumes} \]
\[ \square \text{other} \]

11b. Do you have any mitigation measures in place to deal with these by-products? (to reduce the impact of by-products on the surrounding environment)
\[ \square \text{yes} \quad \square \text{no} \quad \square \text{don’t know} \]

If yes, please describe measures:

………………………………………………………………………………………………………

…………1………………………………………………………………………………………………………

…………2………………………………………………………………………………………………………

127
12. Do you have any concerns regarding the provision of mitigation measures?

☐ Difficult to find appropriate technology  ☐ Not needed
☐ Need specialised skills to implement measures  ☐ Too costly

13. Has your workplace been adversely affected by any activities of a nearby business or resident?

☐ yes  ☐ no  ☐ don’t know

13a. How was it affected / is being affected?
Please explain:

13b. Did you lodge a complaint against them?

☐ yes  ☐ no  ☐ don’t know
to who: ..........................................................................................

14. Has your business received any complaints to date from nearby businesses or residents?

☐ yes  ☐ no  ☐ don’t know

14a. If yes, what was the complaint regarding?

........................................................................................................................................

15. Please list in order of importance three (3) environmental issues in Samoa that require urgent attention and which the private sector can contribute towards resolving?
(1 being most urgent)

☐ Climate change  ☐ deforestation  ☐ natural disasters
☐ urban development  ☐ biodiversity  ☐ water
☐ food security  ☐ land management  ☐ energy
☐ other ........................................................................................................

1  ........................................................................................................
2  ........................................................................................................
3  ........................................................................................................

16. Are you aware that Samoa has signed more than 20 environment related multilateral agreements that would require the support of the private sector to implement?

☐ yes  ☐ no  ☐ don’t know

17. Has your business contributed towards any social / community / environmental activities?

☐ yes  ☐ no  ☐ don’t know
Please state:

18. Is your business / organisation affiliated to any other larger organisation?

☐ yes  ☐ no  ☐ don’t know
such as:  ☐ Samoa Chamber of Commerce  ☐ SAME
☐ Samoa Hotel Association  ☐ SUNGO
☐ IPES  ☐ Other

19. Does this Organisation have an environment policy?

☐ yes  ☐ no  ☐ don’t know

20. In your opinion, whose responsibility is it to ensure a safe, clean and sustainable environment for all?
21. Have you or your business attended any environmental awareness programmes organised by Government?
   □ yes    □ no    □ don’t know

21a. Why were you not able to attend?
   □ No time / too busy    □ Not aware of them    □ Not interested
   □ Timing not appropriate    □ Waste of time    □ Other

22. How can government and donor agencies assist with promoting or improving corporate responsibility towards the environment?

PART 4: Regulation

23. Have you had any dealings with the Planning & Urban Management Agency (PUMA)
   □ yes    □ no    □ don’t know

24. Are you aware of the following policies that PUMA has drafted?
    Housing Guidelines □ yes    □ no
    Signage Policy □ yes    □ no
    Parking Policy □ yes    □ no
    Any other? .................................................................

25. Are you aware that under law, all developments need to be assessed for potential environmental & social impacts?
   □ yes    □ no    □ don’t know

26. Are you aware of the enforcement measures of the Agency under the Act?
   □ ORDER
   □ Penalties – individual and body corporate
   □ Powers of Agency

27. Are you aware that a business licence can be affected if a business activity is in non-compliance with other laws, such as the PUM Act 2004? (extreme option)

28. How can the relationship between regulatory authorities and the private sector be strengthened or encouraged so that mutual cooperation is forthcoming?

29. Command and control regulations are difficult to enforce and monitor if resources are insufficient to facilitate the regulations. Can corporate responsibility be induced so that environmental responsibility can be shared by all sectors?

30. What would stop you from complying with existing environmental and planning regulations?
    □ Costs    □ Too time consuming
    □ Lack of Enforcement    □ Insufficient information to comply
    □ don’t know

31. Some business costs (environmental costs) are being met by the tax payers & communities; for example,
industrial pollution in waterways;
spilt oil in marine areas;
inadequate car park spaces for businesses; and
poor waste management etc …..

Do you think that these costs should be borne by the general public? How can businesses be made to meet their own environmental costs?

32. There are certain economic views claiming the importance of the role of the market in resolving environmental problems; through new technologies, through efficient use of resources, through creativeness and innovativeness; in your own opinion,
   • do you think that it is possible for the private sector (market) in Samoa to contribute effectively in resolving some of Samoa’s environmental problems? How?
APPENDIX 2

Pacific Institute for Advanced Studies in Development & Governance.
University of the South Pacific – Fiji

All information submitted by the respondent will be kept confidential and will only be used for analysis purposes of the study. Ma lou faaaloalo lava.

Research Focus: Private Sector Growth, Environment & Sustainable Development.

1. For greater effectiveness of regulatory functions, please tick only three areas in your office that needs to be strengthened?

- Public awareness of regulations
- Enforcement and compliance
- Political support
- Physical resources (equipment, tools)
- Financial base
- Policy making
- Monitoring
- Human resources (staff numbers)
- Capacity building
- Other

2. Which of the three that you had ticked above is the most crucial?

---------------------------------------------------------------------------------------------------------------------------

3. How many staff do you have in your regulation section/division; particularly those who do enforcement, compliance and monitoring?

- none
- 1 to 5 people
- 5 to 10 people
- 10 to 15 people

1. How can regulatory authorities encourage cooperation from clients?

Please list two ways:

(i) 
(ii) 

5. Should the regulations be strictly applied or applied in a more flexible manner to allow for certain compromises?

- Strict application of the law
- Flexible application of the law

6. Which sector do you find most difficult to regulate?

- Government developments
- Private sector developments
- Both Government and private sector
- Individual developments of the public

7. The role of the private sector in economic development is increasing; more government contracts being privatised, more foreign investments being looked at etc, what are two priority activities that your office needs to improve to prepare for these increasing developments?

(i) 
(ii) 

131
Appendix 3

Open Ended Questions for Interviews with key respondents.

1. Do you think that the private sector has been actively involved with environmental issues?

2. What can government do to try and induce private sector responsibility towards environment?

3. Could environmental considerations be streamlined into business practices, either individually or collectively?

4. How can we make businesses meet their own environmental costs?

5. How can we strengthen enforcement and compliance of regulation in Samoa?
APPENDIX 4

Multi-lateral Environment Agreements - International Conventions
2. Montreal Protocol on Substances that depleted the Ozone Layer 1992
5. World Forest Charter (WFC) 1994
6. UNCLOS relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks 1996
7. United Nations Framework Convention on Climate Change (UNFCCC) 1994
10. World Heritage Convention on Cultural and Natural Sites (World Heritage Convention) 2001
12. Cartagena Protocol on Biosafety (CPB) 2002
13. International Convention for the Protection of Pollution from Ships (ICPPS) 2002
14. Rotterdam Convention 2002
16. Ramsar Convention on Wetlands 2004
18. World Meteorological Organisation (WMO)
19. Comprehensive Test Ban Treaty Organization (CTBTO)

Regional Conventions
2. South Pacific Nuclear Free Zone Treaty (Rarotonga Treaty) 1985
4. Protocol Concerning Cooperation in Combating Pollution Emergencies in the South Pacific Region 1986
6. Convention for the Protection of the Natural Resources and Environment of the South Pacific Region (SPREP/Noumea Convention 1990)
7. Convention to Ban the importation and to control the Transboundary Movement of Hazardous and Radioactive Wastes in Forum Island Countries (Waigani Convention) 2001

Source: MNRE Corporate Plan 2006
Appendix 5

Legislations
2. The Lands, Surveys and Environment Act 1989
4. Public Finance Management Act 2002
5. The Survey Ordinance 1961
7. The Taking of Land Act 1964
8. The Alienation of Customary Land Act 1965
9. Water Act 1965
10. The Land Titles Investigation Act 1966
11. Forest Act 1967
12. The Alienation of Freehold Land Act 1972
13. The Main Roads Development Act 1972
14. The National Parks & Reserves Act 1974
15. Exclusive Economic Zone Act 1977
16. Plants Act 1984
17. The Land for Foreign Purposes Act 1992/1993
20. Maritime Act 1999
21. PUM Act 2004

Regulations
Watershed Protection and Management Regulations 1992
Wildlife Regulation 2004 (Amended and superseded the ‘Protection and Conservation of Wildlife Animals Regulation 1993)
PUMA EIA Regulations 2007

Policy Documents
1. National Environment Management Strategies (NEMS) 1993
2. Reclamation Policy 2000
3. Sand mining Policy 2000 (draft)
5. Land Surveying Licensing 2000
13. CFC License 2004
15. National Heritage Policy 2004
17. National Policy for the Sustainable Development of Forest 2005
19. Cabinet directives.
20. Off-Street Parking Policy and Standards 2006
23. Codes of Environmental Practice 2006
24. Housing Guidelines 2005
25. EIA Guidelines
27. Coastal Infrastructure Management Strategy 2006

Source: MNRE Corporate Plan 2006
Figure 3.2.
Central Business District, Apia

Source: Coastal Infrastructure Management Plan for Vaimauga West, 2002
Figure 3.3 Industrial Area at Vaitele

Figure 5.1: Ministry of Natural Resources and Environment Corporate Structure 2006

Source: MNRE Corporate Plan 2006