



Millennium Development Goals

Maldives Country Report 2010



Department of National Planning
Ministry of Finance and Treasury

Millennium Development Goals

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Foreword by the Minister of Finance and Treasury

This is the third MDG progress report of the Maldives. The previous two reports, in 2004 and 2007, provided an analysis of available data to inform of the progress Maldives had made towards achieving the MDGs. This report goes further. It consolidates the previous analyses with updated data and also describes government's policies and programs, ongoing and proposed, which show government's commitment to achieving the MDGs.

The report gives a detailed account of the status of each MDG goal and corresponding targets. It highlights that five of the eight MDGs have been achieved but stresses the importance of sustained effort to maintain these achievements. It identifies that MDG 3, MDG 7 and MDG 8, need concerted effort from both policy makers especially, and the government to help materialize the targets of these three goals.

I believe the report is a useful review of the current situation of the country, both in terms of the progress Maldives has made towards the MDGs and also the challenges the country will need to address for continued progress and development.

The report asserts that special attention has to be given to removing poverty gaps and inequality between Male' and the atolls, and between atolls as well. The report draws attention to the impending graduation of the country from the LDC status, which poses a special challenge to the continued development of the country, given the vagaries of the global markets and its impact on a small island developing state such as us.

of the island nation that we are, and the need for investments for adaptation to climate change. The report explains that social sector investments in terms of quality health care, quality education and creating employment opportunities for youth and women are at the forefront of the national development agenda, while minimizing burden to the government in their provision.

The compilation of the information in this report has been done by the staff of the Department of National Planning. Main sources of data are the Census 2006, VPA 1997, and VPA 2004, DHS 2009 and statistics provided by various ministries, most significantly the Ministry of Health and Family and the Ministry of Education. I would like to take this opportunity to thank the staff in the Economic and Social Planning Section, and the Statistics Division of the Department of National Planning for their contribution in preparing this report. I would also like to acknowledge the continued support of the staff at the Resident Office of the United National Development Programme in Maldives.



Ali Hashim

Message of the UN Resident Coordinator

This report takes stock of the vulnerabilities unique to a small island state such as the Maldives. The severe impact of the global financial, fuel and food crises because of heavy dependence on imported goods and tourism has worsened the macroeconomic situation of the country, and thus has implications on the sustainability of MDG progress. Climate change poses a serious threat to the coral reef ecosystems on which the two most important sectors, tourism and fisheries, depend. The report also points to the existential threat to the Maldives posed by climate change. Finally, there are capacity constraints across all sectors related to the MDGs.

While these challenges are serious, they can be overcome through partnership, nationally and internationally. The democratic environment offers the perfect opportunity for everyone to participate towards achieving the goals, and with the MDGs explicitly defining this third MDG report comes at an important time for the country. The Maldives can take pride in achieving five of the eight MDGs, despite its status as an LDC and its vulnerabilities as a small island state. Following the MDG Summit in New York, where world leaders have come together to renew their political commitment to the goals, the Maldives reinforces the message that "the MDGs can be achieved," with the right policies, adequate level of investment, and international support.

The challenge for the Maldives is to sustain its MDG gains. Even where the MDGs are on track overall, there are considerable income and social disparities to address. Worrying gaps remain on youth unemployment, child nutrition, primary and secondary education quality, access to quality health services, including maternal health, and there is increasing high-risk behavior among most-at-risk populations to HIV, and those who abuse drugs.

Another challenge is to accelerate progress towards achieving the goals where the country is not on track. Women need to have more opportunities for employment and should be given more avenues to

participate in economic and political decision-making. Violence against women and children needs to stop. Sustainable environmental practices will have to be promoted given their impact on the country's economy and people's livelihoods. And the sharp decline in the proportion of population using an improved water source is a cause of concern.

he responsibilities of all development actors involved, there is an opportunity for us to hold leaders and the Government to account on their commitments and responsibilities. Members of Parliament should work with the government to facilitate laws that will help achieve the MDGs. The Judiciary should promote the principles of the MDGs such as gender equality and human rights. Political parties need to find consensus on legislation to find solutions for development challenges. There is wider scope for the private sector, media, and civil society organizations to advocate and contribute to achieving the goals.

This MDG report provides a succinct picture of the key challenges and recommendations to address the constraints. It can and should be used as a potent tool to bring people together towards a common vision of sustainable human development – towards achieving the MDGs. The UN system is a key partner in this global effort. The UN Development Assistance Framework for 2011 – 2015 for the Maldives was conceived to assist in achieving the goals by the target date 2015. We reiterate our commitment to support the country address barriers to progress and advance the MDGs. Working together, there is no excuse for failure. The solutions have been outlined and the frameworks established – all that is needed is action.









Andrew Cox

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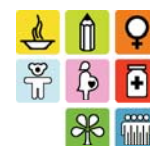
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Abbreviation

ANC	Ante-natal Care	MDG	Millennium Development Goals
ASRH	Adolescent Sexual Reproductive Health	MHTE	Ministry of Housing, Transport and Environment
BBS	Biological and Behavioural Survey	MMR	Maternal Mortality Ratio
CEDAW	Convention for the Elimination of All Forms Discrimination Against Women	MoHF	Ministry of Health and Family
CFCs	Chlorofluorocarbon	MSM	Men having Sex with Men
CO	Carbonmonoxide	N/A	Not Applicable
DeMPA	Debt Management Performance Assessment	NAPA	National Adaptation Plan of Action
DHS	Demographic and Health Survey	NCD	Non-communicable Diseases
DNP	Department of National Planning	NGO	Non-governmental Organizations
EDC	Education Development Centre	ODA	Official Development Assistance
FSW	Female Sex Workers	ODS	Ozone Depleting Substances
GDP	Gross Domestic Product	PEFA	Public Expenditure and Financial Accountability
GHG	Global Greenhouse Gas	PFM	Public Financial Management
HCFCs	Hydrochlorofluorocarbons	PPP	Purchasing Power Parity
HDFC	Housing Development Finance Corporation	RETs	Renewable Energy Technologies
HDI	Human Development Index	SAP	Strategic Action Plan
HIES	Household Income and Expenditure Survey	SMEs	Small and Medium Enterprises
HIV	Human Immuno Deficiency Virus	SMIS	School Management Information System
HPI-1	Human Poverty Index-1	STIs	Sexually Transmitted Infections
ICT	Information and Communications Technology	TB	Tuberculosis
IDUs	Injecting Drug Users	TFR	Total Fertility Rate
IECD	Integrated Early Childhood Development	TVET	Technical and Vocational Education and Training system
ILO	International Labour Organization	U5MR	Under-5 Mortality Rate
IMCI	Integrated Management of Childhood Illnesses	UNDP	United Nations Development Programme
IMF	International Monetary Fund	UNICEF	United Nations Children's Fund
IMR	Infant mortality rate	VAW	Violence Against Women
IYCF	Infant and Young Child Feeding	VCT	Voluntary Counseling and Testing
LDC	Least Developed Countries	VPA	Vulnerability and Poverty Assessment
LEA	Local Education Authorities	WTO	World Trade Organization
LMIS	Labour Market Information System		
MICS	Multiple Indicators Cluster Surveys		

Executive Summary

Maldives has achieved five out of the eight Millennium Development Goals (MDGs) ahead of the 2015 deadline, making it South Asia's only "MDG+" country. Progress has been substantial in eradicating extreme poverty and hunger (MDG1), achieving universal primary education (MDG2), reducing child mortality (MDG4), improving maternal health (MDG5), and combating HIV/AIDS, malaria and other diseases (MDG6). These notable achievements demonstrate robust development with a strong commitment to the social sectors, particularly health and education. On the other hand, progress has been relatively slower toward achieving gender equality and women's empowerment (MDG3), ensuring environmental sustainability (MDG7) and developing a global partnership for development (MDG8).

This is the third MDG progress report. The previous two reports were produced in 2005 and 2007. The timing of this MDG report is especially important for three reasons. First and foremost, Maldives is at a critical development inflection point, particularly given the nascent and fragile nature of democratic governance in the country, and its impending graduation from Least Developed Country (LDC) status in January 2011. Two, additional data are now available on numerous indicators; together, these sources provide a richer data basis to analyze issues, helping to identify areas to accelerate progress, that

require increased attention from policymakers and international partners. Three, with only five years left before the MDG target date, it is useful to review progress and plan for the remaining period in the context of the new Government's focus on five key priority areas: macroeconomic reform, public sector reform, good governance, social development and adaptation to climate change.

A critical challenge to achieving the MDGs and maintaining the achieved status is that even for MDGs that have been achieved at a national level, there exist considerable unevenness in quality and coverage. Disturbing inequalities remain between Male', the capital, and the atolls, as well as between atolls, which is severely straining the Maldivian social fabric. Some key indicators, such as the prevalence of high malnutrition among children younger than age five raise serious concerns.

At the same time, Maldives has been hard-hit by the global food, fuel and financial crises of 2008-2009, which exacerbated already-serious fiscal imbalances and has left little space for socioeconomic priorities. Even in the face of such daunting circumstances, the new Government has launched an ambitious stabilization programme. It is imperative that achievement of the remaining MDGs must be accelerated, gains already made consolidated, and gaps in some indicators addressed, all of which will

require substantial commitment by the Government and the international community alike. A very brief summary of the current status of each MDG target indicates:

MDG1: Eradicate Extreme Poverty and Hunger

Although MDG1 has been achieved in Maldives, additional efforts must be undertaken to address remaining gaps, particularly in terms of eliminating inequalities within the atolls, expanding limited employment opportunities, especially for youth, and addressing persistent high levels of undernutrition among children. There is a need to have more relevant and appropriate strategies for poverty reduction, because poverty in the Maldivian context differs from that of many other countries, with poverty issues often related to hardship or remoteness of the islands and lack of services in the atolls.

Target 1A: Halve, Between 1990 and 2015, the Proportion of People Whose Income is Less Than US\$1 a Day

Target 1A had been achieved by 2004; further, according to the 2006 Census, about 1 percent of Maldives' population was living on less than US\$1 a day. However, inequalities have widened with poverty especially concentrated in the atolls, particularly in the north and north-central regions. Thus it is vital to ensure inclusive growth. Since poverty reduction and contributing to human development remains central to Maldives' development agenda, the Government has embarked on a policy of transforming fragmented social safety net programmes into a comprehensive, three-tiered social protection system.

Challenges: What Needs to Be Done

- Build data management capacity
- Ensure better social targeting of the poor
- Strengthen capacities to care for the vulnerable
- Expand and strengthen long-term social protection measures

Target 1B: Achieve Full and Productive Employment and Decent Work for All, Including Women and Young People

According to 2006 Census, total employment in Maldives was 110,231, of whom 63 percent are males and only 37 percent females. The labour market in Maldives is heavily concentrated in and around Male'; households in the outer atolls rely primarily on fishing, agriculture and self-employment. Although the public sector traditionally has been the largest employer, this is rapidly changing under the Government's new stabilization programme, which is sharply reducing such employment. Overall numbers of expatriate employees (80,000) equal more than one-quarter of the Maldivian population and up to 80 percent of total employment in Maldives, making it a very critical concern.

Youth and women particularly face very serious issues of unemployment and underemployment. A lack of employment opportunities, lack of skills for high-income jobs, a skills-to-jobs mismatch and rigidity of social norms that discourage girls from certain kind of jobs, and that makes it acceptable a long-term dependence on parents and family further exacerbate the issue.

Further, nearly 38 percent of Maldivians aged 15 and over do not participate in the labour market at all. According to the Census 2006, unemployment among youth has increased to 12.15 percent in Male' and 18.71 percent in the atolls

Challenges: What Needs to Be Done

- Improve labour market information
- Provide stronger career guidance and job matching
- Emphasize the dignity of technical and vocational education and jobs
- Increase awareness on the importance of being employed
- Increase labour force participation of youth and women
- Create accessible atoll jobs

- Develop labour standards
- Promote private sector employment

Target 1C: Halve, Between 1990 and 2015, the Proportion of People Who Suffer From Hunger

Maldives faces difficulty in all aspects of food security. Because of low food production in the country and limited variety, most food items are imported, which results in very high costs, especially in the atolls. Consumption of meat, fruits and vegetables is rare. Irregular supply and serious transportation constraints across wide distances are compounded by seasonal food shortages and aggressive marketing of “junk” foods.

While child malnutrition has gradually improved over the years, it still remains high – 19% of children under 5 are stunted or suffer from chronic malnutrition (MDHS 2009). Malnutrition therefore is a priority public health issue. Only 48% of children under the age of 6 months are exclusively breastfed although the status has improved considerably raising it from a low of 10% in 2001

Challenges: What Needs to Be Done

- Stimulate local food production and markets
- Tackle micronutrient deficiencies
- Develop capacities of trained personnel
- Promote healthy eating habits and increase consumption of locally available foods .

MDG2: Achieve Universal Primary Education

MDG2 has been largely achieved, but quantity does not equal quality. Thus the provision of quality pre-primary and primary education remains vital. A focus on increasing secondary school enrolment also is needed. Investment in sufficient and targeted education and human resource development can form solid bedrock for continued overall human development in the country. Without such a focus, however, a negative “domino effect” will be seen, imperiling the most basic development needs.

Target 2A: Ensure That, by 2015, Children Everywhere, Boys and Girls Alike, Will Be Able to Complete a Full Course of Primary Schooling

By 2009, 214 primary schools were offering free education, with all except five inhabited islands providing education at least up to grade seven. Literacy rates among 15- to 24-year-olds are nearly universal, and gender parity in literacy has been achieved. Government expenditures for education have soared, from US\$19 million in 1995 to more than nine times this value, US\$161.4 million, in 2009. Despite the general expansion of access to secondary education for both boys and girls, data indicate that many students continue to drop out at an early age, and that school net enrolment rates have declined.

An urgent need now exists to improve the quality of both primary and secondary education. National assessments indicate low achievement in all levels of education and also quality of education between Male’ and the atolls are different. Critically, the challenges of preparing students for the rapidly changing labour market must be prioritized, since the mismatch between skills needed and those acquired is large and growing. Excessive reliance on untrained teachers – constituting nearly 1 in 4 of total teachers – and an unplanned mix of foreign/local teachers has significantly affected quality, among other factors. The Government is emphasizing the clear adoption of appropriate education policies; strengthening of the educational system; involvement of private sector; equitable access to all levels of education; promoting more holistic education; linking the school system to employability skills; and optimizing teaching through information, communication and technology. The Government also has initiated conversion of the school system from double-shift to single-shift, particularly in Male’, to improve quality and to alleviate overcrowding.

Challenges: What Needs to Be Done

- Build institutional capacity through recruitment and retaining of professionals

- Develop basic skills in the local workforce
- Ensure decentralized education management
- Improve educational services to children with special needs
- Strengthen higher education

MDG3: Promote Gender Equality and Empower Women

Overall, the gender gap in Maldives is closing, albeit perhaps slower than is necessary to meet this MDG by 2015. Cultural, religious and social norms of the country, in certain circumstances, do not promote women's equal participation; isolation and a lack of access to resources likewise pose major challenges. In addition to a simple lack of gainful employment opportunities for women in the atolls, women face legal obstacles to their participation in development in some areas, including with respect to property rights, inheritance and provision of legal evidence. Challenges also exist in women's participation in decision-making, with women under-represented in local and national government, and particularly so in policymaking positions. Creation of space and opportunities for women to contribute to development remains paramount, as does supporting them in acquiring the capacities to act for change.

Target 3A: Eliminate Gender Disparity in Primary and Secondary Education, Preferably by 2005, and in All Levels of Education No Later Than 2015

Target 3A has not been achieved. However, Maldives is on track to achieve the target.

The 2008 Constitution guarantees the same rights and freedoms for women and men, and upholds the principles of non-discrimination and equality. In addition, the Government is making a conscious effort to include both women and men in its economic and social development and to promote gender equality as a priority. Nonetheless, prevailing traditional and socio-cultural norms and attitudes continue to disadvantage women and girls in their daily lives, and to constrain women's active

participation in economic and political activities and leadership. Women's domestic work burden is high, especially since the average household size is large at an average of eight (Census 2006). In the labour force, women's participation is heavily concentrated in education, health, manufacturing and agriculture, as well as the informal sector. Meanwhile, non-agricultural and non-fisheries activities, especially in rural areas, provide only limited opportunities for women, and the female unemployment rate continues to be almost three times higher than that for males.

A major challenge to achieving MDG3 is the extensive violence experienced by women (VAW) and girls in the country, which is emerging as a rapidly growing issue. One study indicates that 1 in 3 women aged 15-49 report experiencing at least one form of physical and/or sexual violence (VAW, 2006). Childhood sexual abuse also has been found to be relatively common. Gender-based violence is often considered a private matter, lying outside public debate. Such factors have helped VAW remain largely hidden and undocumented, and therefore have hindered effective prevention strategies and support services for victims. Meanwhile, an increasing prevalence of conservative ideas is indicated by rising practices of home-based religious education, the banning of girls' access to schooling, and limits to women's access to medical care and application of justice. Women hold 5 out of 77 seats in the national parliament, accounting for six percent of representation, a decline in the ratio of female to male parliamentarians reported in the second MDG report.

Challenges: What Needs to Be Done

- Strengthen Government capacities and adopt/enforce necessary legislation
- Ensure an improved economic role for women
- Intensively address gender-based violence
- Promote education for both girls and boys
- Provide empowerment opportunities to women
- Encourage and provide opportunities for leadership roles

MDG4: Reduce Child Mortality

MDG4 has been achieved in Maldives. Yet, while there has been notable progress in reducing child mortality rates in the country, it is important to view this against progress in inter-related indicators such as immunization, nutrition and access to health services to obtain an overall perspective on the state of child health in the country. Despite fluctuations in child mortality, it can be expected that Maldives will sustain its achievements for MDG4.

Target 4A: Reduce by Two-Thirds, Between 1990 and 2015, the Under-5 Mortality Rate

Maldives has made considerable progress in reducing child mortality in the country. Since 1990 the under-5 mortality (U5MR) rate has fallen steadily, from 48 per 1,000 live births to 16 by 2005, although fluctuations continue. Infant mortality likewise has declined substantially. The spread of basic health facilities and increasing per-capita health expenditures help to explain this impressive reduction, which has made Maldives second only to Sri Lanka in child mortality improvements in South Asia. Integrated Management of Childhood Illnesses (IMCI) and exclusive breastfeeding also have improved. During 2005-2009, up to 80 percent of child deaths occurred in the first year of the child's life, with seven in 10 of those deaths during the neonatal period of the first month. Indeed, Maldivians' high rate of care-seeking from health facilities during the antenatal period, along with better diagnostic facilities, has resulted in numerous premature babies being born live. Provision of adequate neonatal intensive care facilities in most hospitals remains a major challenge.

Maldives also has maintained almost universal coverage for all vaccines for preventable childhood diseases for nearly two decades. The overall percentage of children aged 12 to 23 months who are fully immunized has increased from 85 percent in 2001 to 93 percent in 2009. Consequently, the reduction in vaccine-preventable diseases has been significant. In particular, measles coverage – a key indicator for MDG4 – stands at 98 percent. The

Government has committed to strengthen health-related public policies to ensure provide affordable, accessible and quality health care for all, including strategies related to strengthening vaccination, growth monitoring and Integrated Early Childhood Development (IECD), undertaking newborn care and Infant and Young Child Feeding (IYCF) programmes in communities, and expanding the child health and nutrition surveillance system. These strategies will work toward sustaining MDG4 achievements.

Challenges: What Needs to Be Done

- Prioritize neonatal care and child malnutrition
- Build a competent, professional Maldivian health service workforce
- Ensure access to affordable, quality health services for all Maldivians
- Reduce data discrepancies
- Strengthen monitoring of vaccine-preventable improve referral system

MDG5: Improve Maternal Health

Continued progress on MDG5 will strongly influence efforts to further reduce child mortality (MDG4). Likewise, gender inequality is one of the social determinants at the heart of inequity in health, so progress in achieving MDG3 (promoting gender equality and women's empowerment) also will bring progress on MDG5, as will improvements in the nutritional status of women (MDG Target 1C). Opportunities to reduce Maternal Mortality Ratio (MMR) further in Maldives must be assessed within the context of: (a) geographic remoteness and smallness of some islands; (b) improved access to skilled care; (c) ensuring quality and extent of antenatal care available; and (d) high prevalence rates of anaemia and Vitamin A deficiency among women. Greater attention to improving sexual and reproductive health care and universal access to all its aspects, are required to prevent unintended pregnancies and provide high-quality pregnancy and delivery care.

Target 5A: Reduce by Three-Quarters, Between 1990 and 2015, the Maternal Mortality Ratio

Target 5A has been achieved or nearly achieved, even as the overall MMR remains comparatively high. By 2007, Maldives had already reduced the MMR to 46 per 100,000 live births from nearly 259 in 1997, when maternal death audits were first introduced. The fundamental reason for this decline was due to the dispersion of obstetric and other specialist health services at atoll level. This allowed wider access to skilled attendants (doctors and nurses) for delivery as well as enhanced emergency procedures in the case of complications, although issues of accessibility to essential obstetric care and quality of care, especially at the very peripheral level, remain to be addressed. Meanwhile, nearly all Maldivian women (99 percent) reported seeing a health professional at least once for antenatal care for the most recent birth. The percentage of deliveries by a health professional now stands at 95.4 percent, up from 85 percent as recently as 2004.

Challenges: What Needs to Be Done

- Build a competent, professional Maldivian health service workforce
- Ensure access to affordable, quality health services for all Maldivians
- Expand research and more accurately measure MMR
- strengthening of public health services to identify high risk pregnancies and timely referral

Target 5B: Achieve, by 2015, Universal Access to Reproductive Health

Like improvements in maternal mortality, reproductive health services in the country have increased over the past decade, also mainly because of improved accessibility through the expansion of health facilities in the atolls. Meanwhile, other MDG indicators related to maternal health, such as adolescent birth rates and the unmet demand for family planning, need to be substantially improved and updated. Despite Government efforts to promote

the use of contraceptives, such use has declined substantially. Only 34.7 percent of married women were using contraceptives in 2009, a significant drop from 42 percent in 1999. Unlike behavior in much of the world, Maldivian women's contraceptive use prevalence decreases with increasing education. Unwanted pregnancies among adolescents appear to be a growing issue.

Challenges: What Needs to Be Done

- Better understand negative reproductive health trends,
- see also Challenges under Target 5A.

MDG6: Combat HIV/AIDS, Malaria and Other Diseases

Maldives has not yet achieved and cannot afford to be complacent on MDG6. The Government has shown commitment and progress toward the targets of this Goal. Nonetheless, major challenges remain to be overcome both on HIV/AIDS and other communicable diseases, and will require further sustained efforts. In particular, it will be crucial to maintain Maldives' low-prevalence status with regard to HIV.

Target 6A: Have Halted, by 2015, and Begun to Reverse the Spread of HIV/AIDS and

Target 6B: Achieve, by 2010, Universal Access to Treatment for HIV/AIDS for All Who Need It

The first HIV screening in Maldives was conducted in 1991, and only 14 HIV cases among Maldivians have been reported through the end of 2009, all contracted through a heterosexual route of transmission. Currently three Maldivians are living with HIV/AIDS, of which two are on anti-retroviral therapy. All infected persons have access to antiretroviral drugs, which are provided free of cost by the Government. The challenge, however, is to ensure that Maldives remains a low-prevalence country because of significantly increasing high-risk behaviours, including unprotected sex and needle sharing, and at-risk populations such as injecting drug users (IJUs), female sex workers (FSWs) and men who

have sex with men (MSM). All this could contribute to a potential HIV epidemic in Maldives, calling for prioritization of the national response. The fact is that of the 97 percent of youth who have ever heard of HIV/AIDS, 51 percent of young women and 62 percent of young men are having correct knowledge about HIV transmission.

Challenges: What Needs to Be Done

- Strengthen outreach and surveillance
- Develop Capacities of non-Government organization working with at risk populations, as well as potential Non-governmental Organisations (NGOs)' interested in working with at risk populations.
- Also, advocate for legislative reform
- Strengthen youth health programs

Target 6C: Have Halted, by 2015, and Begun to Reverse the Incidence of Malaria and Other Major Diseases

In tandem with rapidly increasing per-capita income, Maldives has had notable success in the control of communicable diseases and has achieved this target of MDG6. Malaria has been eradicated since 1984, and the total number of cases of tuberculosis (TB) under treatment has sharply declined. A major accomplishment is the absence of TB cases reported in the under-5 age group. At the same time, although TB has been controlled, it persists and has a high risk of spread in Male' because of increased migration, overcrowding and poor housing conditions. Also there is a fear of re-entry of malaria through expatriates and hence strict health screening of expatriates from malaria prevalent countries is undertaken by the Government.

In contrast to the success in controlling communicable diseases, however, a new major challenge to public health is emerging with non-communicable diseases (NCDs) linked to rapid growth, urbanization and changing lifestyles. NCDs, including cancer, cardiovascular diseases and chronic respiratory

diseases, often linked to smoking, have emerged as the main cause of mortality and morbidity in the country. Obesity, hypertension, diabetes and high cholesterol are all prevalent. All this is compounded by poor nutritional status. In addition, dengue, chikungunya and scrub typhus, as well as other rodent- and vector-related diseases, have emerged as key public health issues, requiring the development of more hygienic water and sanitation facilities

Challenges: What Needs to Be Done

- Step up disease control efforts
- Urgently develop local human resources
- Develop special interventions for emerging diseases
- Enforce Public Health Laws

MDG7: Ensure Environmental Sustainability

Environmental sustainability is one of the most fundamental problems in Maldives, challenging the basic right to life. The country has considerable ground to cover to achieve MDG7. Moreover, sustained progress toward this Goal requires a truly global commitment, particularly on adaptation to climate change, and because exogenous factors could limit Maldivian progress. MDG7 targets in many ways stand at the heart of the country's remaining challenges on all the MDGs; as such, the response to these daunting challenges represents a critical component of Maldives' future.

The new Constitution mandates the protection of the environment as a key human right, while the new Government recognizes environment and climate change as a crosscutting development theme, particularly given its pivotal role in the economy. It has given environmental issues top priority so that natural resources are used wisely and complex ecosystems are protected while promoting growth and development. The Government announced that Maldives will become a carbon-neutral country by 2020 and committed itself to develop and implement integrated energy programmes under a new energy sector policy.

Target 7A: Integrate the Principles of Sustainable Development into Country Policies and Programmes and Reverse the Loss of Environmental Resources. **Target 7B:** Reduce Biodiversity Loss, Achieving, by 2010, a Significant Reduction in the Rate of Loss

As a low-lying coral island country where more than 80 percent of the land is less than 1.5 metres above sea level, Maldives is one of the most vulnerable nations on Earth to climate change. Because of the small size of the islands, no Maldivian lives more than 1 kilometre from the shorelines. A projected rise in sea levels literally threatens the country's existence. Biodiversity-based sectors contribute nearly 71 percent of national employment, 49 percent of public revenues, 62 percent of foreign exchange, 98 percent of foreign exports and 89 percent of Gross Domestic Product (GDP). Although two of the most important sectors of the economy, fisheries and tourism, have developed eco-friendly practices, the projected rise in ocean temperatures because of climate change threatens the sustainability of the coral reef ecosystem on which these sectors depend. The delicate shorelines and coral reefs likewise are subjected to negative impacts of necessary development activities such as reclamation and dredging.

Maldives also is directly threatened by multiple natural disaster risks. A higher frequency of extreme events could cause severe damage to numerous islands, where flooding and erosion are already regular and major challenges. Investments in critical infrastructure and the provision of essential services could be severely damaged, and risks to health and food security could be high. The disastrous Indian Ocean tsunami of December 2004 destroyed the nation's economic and social infrastructure, with losses exceeding 62 percent of GDP, compared to less than 3 percent of GDP in Thailand, Sri Lanka and India. Energy dependence likewise is a major source of economic vulnerability and many remote and rural island communities have little or no access to modern and affordable energy services. Certain islands have been identified as potential sites for the generation of electricity using renewable sources.

Challenges: What Needs to Be Done

- Strengthen "resilient islands"
- Further prioritize biodiversity conservation
- Develop a shoreline management plan and construct pilot coastal defences
- Undertake "soft" engineering research projects
- Establish coastal survey units
- Strengthen the regulatory framework and knowledge in the energy sector
- Increase public education on environment protection
- Strengthen legislations on environment

Target 7C: Halve, by 2015, the Proportion of People Without Sustainable Access to Safe Drinking Water and Basic Sanitation

With Maldives' expanding population, rapid urbanization and improving lifestyle, the demand for water is fast increasing, even as finite freshwater resources are becoming polluted and depleted. The threat of climate change is only exacerbating the issue of water supply in the country, which is already challenged by high unit costs for infrastructure and diseconomies of scale. Overall, the proportion of the population using an improved water source has fallen sharply, from 96 percent in 1990 to 83 percent by 2006. The decline is particularly dramatic in rural areas. In recent years a switch from shallow groundwater wells for drinking water to rainwater has occurred, especially in the atolls, where nearly two-thirds of the population lives; this behavioural change has been driven in part because of saltwater intrusion and pollution, including from poor sanitation, affecting groundwater sources. At the same time, more than 90 percent of atoll households did not use any method of treatment for the drinking water.

Likewise, Maldives has made limited progress in the provision of improved sanitation facilities. While the percentage of atoll households without access to toilet facilities had fallen from more than 60 percent in 1990 to 6 percent by 2006, data indicate very little or no gains in the proportion of people using an improved sanitation facility in rural areas. Solid waste

management also is emerging as a key issue that threatens the ecosystem: the estimated quantity of waste is expected to jump by more than 30 percent between 2007 and 2012 alone, from 248,000 tons to 324,000 tons, with much of it being domestic waste. Meanwhile, the Government is encouraging public-private partnerships; recently established utility companies in the provinces have been given the responsibility to operate and maintain island water and sewerage services, but they face daunting initial challenges because of their limited technical capacities and financial return.

Challenges: What Needs to Be Done

- Improve the legislative framework and funding
- Prioritize atoll sanitation
- Improve coordination and use of existing resources
- Widen awareness on environmentally friendly practices
- Boost the role of the private sector
- Improve rain water harvesting capacity

Target 7D: By 2020, to Have Achieved a Significant Improvement in the Lives of at Least 100 Million Slum Dwellers

Although there are no informal settlements or settlers in Maldives, two emerging housing-related issues deserve attention. First, tsunami-related shelter losses, totaling more than 8,600 houses, have yet to be fully offset because of delays in mobilizing construction materials, labour and finances in a number of concurrent locations. Nearly 50 percent of those displaced from their homes after December 2004 still live in temporary shelters, in part because reconstruction costs have more than doubled since 2007. Second, rapid urbanization and in-migration to Male' has resulted in severe congestion and pressure on housing and land. More than 103,000 people live in an area of barely 2 square kilometers. In part because many people must cohabit in a small area, social tensions including drug addiction, violence against women (VAW), divorce, and high-risk sexual activity among adolescents are on the rise.

Rising unemployment exacerbates these problems immensely. The Government is committed to provide housing by the end of 2010 for all remaining persons displaced by the tsunami, and to foster regional development through decentralization and other policies to relieve congestion in Male'.

Challenges: What Needs to Be Done

- Strengthen regional growth centres
- Develop an improved regulatory framework
- Stimulate housing finance

MDG8: Develop a Global Partnership for Development

Although considerable efforts are under way, MDG8 remains a daunting challenge just five years before the 2015 target date. Macroeconomic reform initiatives of the Government are designed to complement fiscal reforms being implemented with technical advice from World Bank (WB) and the International Monetary Fund (IMF). Programmes envision bringing broad-based reform to how the economy functions in the provision of goods and services to the public. Through these initiatives, the Government expects to increase the share of private sector involvement in the economy, transform the role of Government to a regulatory one, and create employment opportunities in the private sector, particularly in the atolls, through deeper economic diversification and corporatization/privatization of public services. At the same time, the role of science and technology in Maldives' development is growing. Questions of infrastructure in relation to connectivity and issues related to the dispersion of bandwidth across the nation require further attention.

Target 8A: Develop Further an Open, Rule-Based, Predictable, Non-Discriminatory Trading and Financial System

For Maldives, the critical issue is that it is grappling with a dire macroeconomic situation that likewise imperils social and human development progress, all of which is important for Target 8A and other targets

under this MDG. Imprudent fiscal expansion since the 2004 tsunami has resulted in a runaway budget deficit, with public debt now standing at 92 percent of GDP. This has been exacerbated by the severe impact from the global financial, fuel and food crises, which has caused tourism and exports to fall sharply short of expectations and external debt to soar. Such economic shocks are increasingly adversely affecting vulnerable populations, including women, children and youth. The Government has taken serious macroeconomic reform measures to address the huge budget deficit, successfully beginning a stringent structural adjustment programme whose key element is to balance the budget by the end of 2012. New taxes will have to offset steep falls in import duties and profits transfers from State Owned Enterprises (SOEs). The strategic question of how to finance the Government's ambitious democratic agenda is proving central in an era of exceedingly tight resources.

Challenges: What Needs to Be Done

- Improve public finance management
- Stimulate private sector development
- Modernize the regulatory framework
- Address financing constraints
- Invest in trade-facilitating infrastructure and systems
- Deepen diversification of tourism
- Prioritize Maldivian cultural heritage

Target 8B: Address the Special Needs of the Least Developed Countries and

Target 8C: Address the Special Needs of Small Island Developing States

With Maldives' graduation from the Least Developed Countries (LDC) status in January 2011, the era of foreign assistance in the form of grants and concessionary loans may end. It also will lose some of the trade benefits it has enjoyed under World Trade Organization (WTO) rules. Moreover, this transition will occur at a time when: (1) the country is facing unsustainably high twin deficits (both fiscal and current account) on the economic front and (2) the

Government must introduce many socioeconomic programmes to fulfill its commitments to the people in promoting a fledgling democracy. Managing economic, social and environmental challenges while fulfilling people's great expectations under adverse global conditions almost certainly will prove highly challenging.

Challenges: What Needs to Be Done

- Shore up fisheries exports and further diversify the economy; see also Challenges under Target 8A
- Combine assistance with social responsibility

Target 8D: Deal Comprehensively With the Debt Problems of Developing Countries Through National and International Measures in Order to Make Debt Sustainable in the Long Term

Given the limited level of domestic savings, and the growing demand for development as well private investment finance, the country has grown ever more dependent on finance from foreign sources, as also noted under Target 8A. Overall, external debt stock of the public sector has nearly tripled in recent years, growing from US\$ 331.8 million in 2004 to an estimated US\$ 969.2 million in 2009.

Challenges: What Needs to Be Done

- Continue to prioritize an effective debt management strategy
- Expand foreign investment;
- See also Challenges under Target 8A.

Target 8F: In Cooperation With the Private Sector, Make Available the Benefits of New Technologies, Especially Information and Communications

Maldives had already achieved a mobile teledensity rate of more than 140 percent by 2008. This extensive mobile network is expected to provide opportunities for further developments in e-businesses, e-services and e-governance. Growth in mobile subscribers has increased exponentially, from 8,000 in 2000 to

more than 450,000 by 2009. Broadband Internet services also are increasing, albeit at a much slower pace, especially on the outer islands. The new Government has identified access to appropriate science and technology as an important means to meet its development objectives, with priorities to be addressed in the area of Information Communication Technology (ICT) including in the media, in climate change adaptation and mitigation, especially for water supply and sanitation, and in renewable energy. ICT can play a vital role in linking dispersed communities and reducing the impact of the geographical isolation and physical separation that exists between the country's island communities.

Challenges: What Needs to Be Done

- Continue to expand broadband connectivity

Overall progress toward achieving the MDGs in maldives

MDGs Monitoring

Progress toward the MDGs is monitored using information gathered by the statistics division of the Department of National Planning (DNP) and data from sectoral ministries such as the Ministry of Health

(VPA). MoHF conducts Multiple Cluster Survey (MCS) and Demographic Health Survey (DHS). MoE collects education statistics and other sectoral ministries collect data relevant to them. However, the following issues are highlighted as impeding monitoring activities.

- Unavailability of Up-to-date Data on MDG Indicators
- Different Definitions and Survey Methodology
- Lack of Disaggregated Data
- Need for Localizing Targets and Indicators
- Need for Improved Coordination and Data Collection/Analysis Within Sectors

There is an urgent need for strengthening of overall data collection system by establishing a comprehensive data collection system that can be used by all agencies for their respective purposes.

Goal 1: Eradicate Extreme Poverty and Hunger	Fully achieved
Goal 2: Achieve Universal Primary Education	Fully achieved
Goal 3: Promote Gender Equality and Empower Women	On track
Goal 4: Reduce Child Mortality	Fully achieved
Goal 5: Improve Maternal Health	Fully achieved
Goal 6: Combat HIV/AIDS, Malaria and Other Diseases	Fully achieved
Goal 7: Ensure Environmental Sustainability	On track
Goal 8: Develop a Global Partnership for Development	On track

and Family (MoHF) and Ministry of Education (MoE). Because Maldives has a decentralized statistical system, sectors collect data relevant to them and DNP collects statistics at national level, such as the Census, Household Income and Expenditure Survey (HIES), and Vulnerability and Poverty Assessment

Introduction

Although the country's annual population growth rate has been decelerating – from 3.4 percent during 1985-1990 to 1.7 percent during 2000-2006 – Maldives' population remains relatively young, with 44 percent younger than age 14 years and 62 percent under age 25. Tourism and fisheries represent key economic industries and together constitute about up to 35 percent of GDP, more than two-thirds of export earnings, and employment for some 18 percent of the domestic labour force. Other sectors such as distribution and trade, construction and transportation are closely linked to the performance of the tourism sector.

Maldives has achieved five out of the eight MDGs ahead of schedule, making it South Asia's only "MDG+" country. Progress has been substantial in eradicating extreme poverty and hunger (MDG1), achieving universal primary education (MDG2), reducing child mortality (MDG4), improving maternal health (MDG5), and combating HIV/AIDS, malaria and other diseases (MDG6). These notable achievements demonstrate robust development with a strong commitment to the social sectors, particularly health and education. On the other hand, progress has been relatively slower toward achieving gender equality and women's empowerment (MDG3), ensuring environmental sustainability (MDG7) and developing a global partnership for development (MDG8).

A critical challenge, however, is that even for MDGs that have been achieved at the aggregate level; there exists considerable unevenness in such factors as quality and coverage. Some indicators continue to raise serious concerns. For example, although there is no significant presence of extreme hunger, the prevalence of high malnutrition among the under-five age cohort is disturbing because this situation has irreversible implications for health and productivity.

The Human Development Index (HDI) value for Maldives in 2009 is 0.77 and it had overtaken Sri Lanka with the highest HDI rating in South Asia, moving up from 98th rank in 2006 to 95th rank in 2009, out of 182 countries¹. At the same time, the Human Poverty Index-1 (HPI-1) is 16.5 percent, and rankst 66th out of 135 countries. The HPI-1 measures relative deprivation based upon the proportion of people not expected to survive to age 40, the adult illiteracy rate, and the proportion of people not using improved water sources as well as the proportion of under-5 children who are underweight for their age. For Maldives, primarily because of the last category, the index suggests that almost 1 in 6 Maldivians are deprived. This represents a serious cause for concern.

Maldives is expected to graduate from LDC status in January 2011, a move delayed for some years

following the devastating Indian Ocean tsunami of 26 December 2004 and approved by the United Nations General Assembly (UNGA) at its sitting of 23 November 2005². Imminent LDC graduation reflects Maldives' unprecedented socioeconomic change in recent years. More than a decade of high growth, averaging up to 7 percent per year, has translated into the highest per-capita GDP in South Asia. Real per-capita GDP stood at US\$2,922 by 2008, decreasing marginally to \$2,786 in 2009³.

Nevertheless, considerable urban/rural inequalities still remain, even as imprudent fiscal expansion in recent years has resulted in a runaway budget deficit, with public debt now standing at 92 percent of GDP; such a debt ratio makes it difficult to ensure continued focus on socioeconomic priorities. Maldives also has been hard-hit by the global financial, food and fuel crisis, which drove the country's economy into recession, resulting in a contraction of GDP of 3 percent in 2009 (MMA, 2009). The graph below shows the real GDP variation over the years 2000 – 2010.

The global financial crisis significantly affected tourist arrivals, which lowered Government revenue directly, through reduced taxes, and indirectly, through a contraction of import duties and taxes from other downstream industries. Revenues were down 23

percent year over year, significantly exacerbating existing fiscal imbalances.

In response, the Government initiated an ambitious stabilization programme with support from the International Monetary Fund (IMF), World Bank (WB) and Asian Development Bank (ADB) to reduce

Table 1: Summary of Central Government Finance, 1994 – 2010

(In million Rufiyaa)			(Revised)	(MTEF)	% Change 09-10
Particulars	2007	2008	2009	2010	
Total Revenue and grants	7571.2	7456.5	5957.8	7040.9	18.2
Total Revenue	6527.2	6939.5	5355.4	6840.3	27.7
Current Revenue	6490.7	6897.2	5344.8	6811.6	27.4
Capital Revenue	36.5	42.3	10.6	28.7	170.8
Grants 1 /	1044	517	602.4	200.6	-66.7
Expenditure and net lending	8200.9	10176	10881.4	10906.6	0.2
Total Expenditure	8325.4	10342.4	10950.3	11154.1	1.9
Current expenditure	6560.1	7463.2	7942.4	9115.2	14.8
Capital expenditure	1765.3	2879.2	3007.9	2038.9	-32.2
Net lending	-124.5	-166.4	-68.9	-247.5	259.2
Overall deficit (-)	-629.7	-2719.5	-4923.6	-3865.8	-21.5
(Including grants)					
Financing	629.7	-1224	-3361.2	3865.7	-215
Foreign (net)	615.1	747.7	781.2	109	-86
Disbursements	1007.8	1137.6	1774.5	1441	-18.8
Repayments (-)	-392.7	-389.9	-993.3	-1332	34.1
Domestic 2 /	14.6	-1971.7	-4142.4	3756.7	-190.7
Overall deficit (-)	-1673.7	-3236.5	-5526	-4066.3	-26.4
(excluding grants)					

1 / Excludes grants for direct expenditure by donors

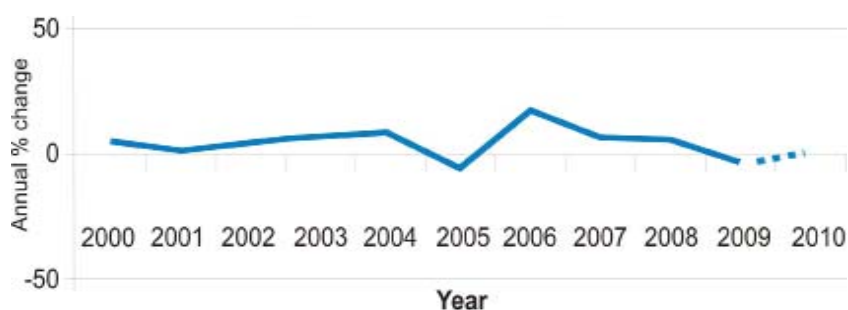
2 / Primarily reflects net borrowing from MMA

Source: Ministry of Finance and Treasury

expenditures and introduce revenue measures. If no action had been taken, the deficit alone would have reached 33 percent of GDP in 2009.

In addition, while Maldives' population will remain relatively young for another 5 to 10 years, the demographic transition will accelerate after that, with the share of the working-age population and

Figure 1: Annual % change in real GDP 2000 - 2010



²See General Assembly draft resolution A/60/L.21 on "Deferral of the smooth transition period for the graduation of Maldives from the list of Least Developed Countries."
³ Statistical Yearbook 2009.

elderly increasing rapidly. This has implications for socioeconomic policy because it means that the age and composition of vulnerable target groups are changing.

Rapid economic development also has increased use of the limited natural resources in the country. At the same time, a rise in consumerism and changes in lifestyles have resulted in serious issues related to waste management, threatening the already-fragile ecosystem.

Maldives' acute vulnerability to climate change and sea level rise is evident in the flooding of several islands on different occasions from tidal swells and severe beach erosion.

Box 1: Vulnerability to natural disasters

The single, hardest-hitting event in Maldives was the 2004 tsunami disaster, the worst natural disaster in the country's recorded history. Waves washed over the entire country, leaving 82 people dead, 26 missing, more than 1,000 thousand injured, and more than 29,000 displaced. Only nine islands escaped flooding and 13 islands were temporarily evacuated, of which two had to be permanently evacuated and residents relocated. The Joint Assessment Report prepared by the Government, the World Bank, Asian Development Bank and the United Nations estimated total damages at 62 percent of the value of GDP. While most of those displaced have been resettled, reconstruction activities are still ongoing, with significant assistance from the international community.

The Maldivian social fabric has been increasingly strained, with increasing disparities between rich and poor and between Male' and the atolls. As more men work away from their home islands because of the non-availability of sufficient work in their home island, female-headed households and single parenting have increased. Further, high divorce rates and disintegration of families, as well as the high population density in Male' and other urban areas, have contributed to an alarming rise in domestic and gender-based violence,

child abuse, substance abuse and gang violence. The number of children requiring alternative care also has increased as a result of child abuse and parental drug use. The Census 2006, also indicated that about one-third of all children live with people other than both biological parents because of the practice of multiple marriages.

At the same time, political reform has dominated the Maldivian policy landscape in recent years, with rapid development on this front. Following strong calls for good governance and political and human rights reform, a multi-party system was established in 2005, and a Constitution was ratified in 2008 that encapsulated a bill of rights. The Constitution also laid the groundwork for a decentralized governance mechanism, which necessitated the conducting of three sets of elections (presidential, parliamentary and local council) in close succession. Local council elections remain to be held, although a Decentralization Act has been ratified.

New government and priorities

Following the inauguration of the new government in November 2008, Maldives has been at a crossroads. It must balance the high hopes and aspirations for its people with the transformation into a modern, liberal and outward-looking country. This is the first Islamic country in the world where a homegrown democracy movement has succeeded in bringing about such a profound change.

The new Government was elected on a democratic platform advocating a manifesto that set out a development plan for the country through extensive citizen consultations. The Strategic Action Plan: National Framework for Development 2009-2013 (SAP) operationalizes the manifesto. Currently the Government is focused on five key priority areas for donor funding: macroeconomic reform, public sector reform, good governance, social development and adaptation to climate change, which build upon the SAP's pledges to reduce the cost of living; link all islands through a transport network; provide affordable & quality universal health care; provide affordable housing; and prevent narcotics abuse. Goals for

23 other areas also have been set. Many of these policy commitments are congruent with the MDGs, as illustrated in the table 2.

Table 2: MDGs and government commitments

MDGs	5 key pledges of Maldives' Government's coalition Manifesto, plus policies
MDG 1: poverty and hunger	Affordable Living Costs
MDG 2: Universal Education	Social Justice (benevolent state)
MDG3: Gender Equality	Economic Development
	Social Justice (education and human resource development)
MDG 4: Child Health	Affordable quality healthcare for all
MDG 5: Maternal Health	Social Justice (a benevolent state)
MDG 3: Gender Equality	
MDG 6: Combat HIV/AIDS	Prevention of narcotics abuse/ trafficking
Millennium Declaration	Social justice (youth)
MDG 7: Environmental sustainability	Affordable Housing
	Nationwide transport system
	Economic development (environment)
MDG 8: partnerships	Good governance
Millennium Declaration	"tools": Decentralisation, privatisation, corporatisation, PPPs

Source: UNICEF/ROSA 2009, Compiled from Government Manifesto and Cabinet Decisions

Box 2: The Strategic Action Plan (SAP)

2009 - 2013

The SAP thus envisions a better living standard for all while tackling severe current socio economic issues. Some of these crucial commitments may have to be forgone, however, because of the impact of the financial, food and fuel crisis as well as the unsustainable fiscal consequences arising from the significant pre-electoral expansion of Government hiring and a spike in public wages. A risk exists that the Maldivian people may come to associate democracy with higher unemployment and deterioration in services. Coming atop the huge challenges of providing Government services across far-flung islands seriously threatened by climate change, the fiscal crisis still may generate a political crisis that could send the Maldives into a vicious cycle that would take years to break.

To support its policy agenda, the Government is now implementing a large fiscal adjustment programme to restore fiscal sustainability. Revenue-enhancing measures and more prudent expenditure policies are planned but will take time to fully implement, given the necessary legislative and institutional frameworks needed. Interlinked with this initiative, the oversized bureaucracy also is being streamlined to ensure a lean, efficient government; the civil service is being "right-sized" and the fight against corruption actively brought forward.

In all, the Government will play a more regulatory role, with several functions being corporatized. Improved rule of law and capacity development for decentralization of services are being prioritized as necessary foundations for good governance and national development, while investment in human resources development of the country is an immediate step to deliver on all social development pledges. Lastly, Maldives has pledged to go carbon-neutral and is vigorously pursuing climate change adaptation measures to avert national disaster. All these policy directives have important implications for delivery of basic services, as well as for quality and efficiency, and therefore must be well-informed by socioeconomic indicators in their design to ensure the best outcomes for vulnerable groups.

Reporting on the MDGs

Major successes in combating extreme poverty, improving school enrolment and child health, and expanding access to clean water, malaria control and AIDS treatment — even in the poorest countries — demonstrate that the MDGs are achievable. Despite these successes, positive changes in the lives of the poorest are happening at a very slow pace, and in some countries hard-fought gains are being eroded. Without a renewed commitment for concrete, comprehensive and targeted action — particularly in this time of global economic crisis — a host of countries will not meet many of the MDG targets by 2015.

The High-Level Plenary Meeting of the General Assembly on MDGs in 2010 and preceding general discussions (2010 MDG Review) represent unprecedented opportunities for rallying and revitalizing efforts, building on the assumption that “business as usual” will not advance most countries to achieve the goals by 2015. The 2010 MDG Review particularly is a defining moment to galvanize new political commitment and to spur collective action and the effort needed over the final five years to accelerate and sustain progress toward the MDGs.

The main purpose of an MDG Report is to help engage political leaders and decision makers, and to mobilize civil society, communities, the public, people’s representatives and the media for achieving the development goals. It is a tool for awareness raising, advocacy, alliance building and renewal of political commitments at country level. An MDG Report primarily addresses a national audience in an effort to locate the global goals and targets to the national context and make a real difference in terms of domestic policy reforms, planning and budgeting.

The MDG Report also is useful for strengthening national capacity for monitoring and reporting on goals and targets and for generating a “can-do” atmosphere so that policymakers and other stakeholders are encouraged to adopt a comprehensive and harmonious development approach. Triggering action for accelerating progress toward achieving the MDGs is the ultimate objective of the MDG Report.

The first MDG Report for Maldives, in 2005, played an important role in tracking progress on the MDGs based on data collected before the devastating tsunami of 2004. It presented a preliminary assessment of the progress of Maldives toward achievement of the MDGs, showing that the country still faced considerable challenges despite impressive pre-tsunami achievements. The second MDGR, in 2007, represented an analysis of the 2005 situation after the tsunami and included more in-depth analytical reviews of policy reform, institutional change and resource allocations.

Both reports were prepared by the DNP (formerly Ministry of Planning and National Development) through extensive literature reviews; data analysis, particularly from VPAs 1997 and 2004, HIES and data sets from Censuses 1990, 1995, 2000, and 2006; and consultative meetings with key Government agencies and other stakeholders.

Work on the preparation of the third MDG Report began in 2009 with preliminary collection of available data. Unlike the MDG Reports of 2005 and 2007, this 2010 Report was prepared by technical staff of DNP, thereby supporting monitoring and evaluation capacity within DNP and the broader government structure. This report also details programmes and other initiatives that government and related agencies have rolled out as part of the strategic plan to meet the overarching objectives of the MDGs.

Consultations and inputs from key Government agencies and other stakeholders were critical in obtaining the most relevant picture of the current development situation. Technical assistance was provided by the United Nations.

Most data have been used from the DHS 2009⁴, the 2006 Census and other data sets from DNP as well as other data sources available from the MoHF, and the MoE. Nonetheless, numerous statistical challenges to monitoring the MDGs were encountered. A glossary of indicators is included in Annex.

The timing of this third MDG Report is especially important for three reasons: One, Maldives is at a critical development inflection point, as noted above, particularly given the nascent and fragile nature of democratic governance in the country. Two, additional data are now available on numerous indicators; together, these sources provide a richer data basis to analyze issues, helping to identify areas that require increased attention from policymakers and international partners to accelerate further progress by 2015. Three, with only five years left before the MDG target date, it is useful to review progress and plan for the remaining period. In addition, this Report will help Maldives and its development partners take stock and review remaining gaps to identify where additional efforts are still needed.

⁴ Maldives’ first such survey, with data collected from a nationally representative sample of more than 7,500 households.



Goal One

Eradicate extreme poverty
and hunger

Target 1A

Halve, Between 1990 and 2015, the Proportion of People Whose Income Is Less Than US\$1 a Day

Target 1B

Achieve Full and Productive Employment and Decent Work for All, Including Women and Young People

Target 1C

Halve, Between 1990 and 2015, the Proportion of People Who Suffer From Hunger





Goal 1: Eradicate extreme poverty and hunger

Target 1A: halve, between 1990 and 2015, the proportion of people whose income is less than US\$1 a day

the Maldivian economy even after the losses of tsunami 2004, had performed strongly for a quarter-century, with real GDP growth averaging some 7 percent annually⁵.

Table 3: Indicators for target 1A

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
1.1. Proportion of population below US\$1 (PPP) per day[i]	3% (1997)	1% (2004)	N/A	N/A	1.5%: achieved
1.2. Poverty gap ratio					
MRF 7.5 per day, Maldives	4% (1997)	1% (2004)	N/A	N/A	2%: achieved
MRF 7.5 per day, Male ^e	1% (1997)	0% (2004)	N/A	N/A	0.5%: achieved
MRF 7.5 per day, atolls	5% (1997)	1% (2004)	N/A	N/A	2.5%: achieved
MRF 10 per day, Maldives	7% (1997)	2% (2004)	N/A	N/A	3.5%: achieved
MRF 10 per day, Male ^e	2% (1997)	0% (2004)	N/A	N/A	1%: achieved
MRF 10 per day, atolls	9% (1997)	3% (2004)	N/A	N/A	4.5%: achieved
MRF 15 per day, Maldives	16% (1997)	6% (2004)	N/A	N/A	8%: achieved
MRF 15 per day, Male ^e	6% (1997)	1% (2004)	N/A	N/A	3%: achieved
MRF 15 per day, atolls	19% (1997)	8% (2004)	N/A	N/A	9.5%: achieved
1.3. Share of poorest quintile in national consumption, Maldives	6% (1997)	6% (2004)	N/A	N/A	3%:
Share of poorest quintile in national consumption, Male ^e	7% (1997)	6% (2004)	N/A	N/A	3.5%:
Share of poorest quintile in national consumption, atolls	7% (1997)	6% (2004)	N/A	N/A	3.5%: -----

Poverty in the Maldivian context differs from that of many other countries, with poverty issues often related to hardship or remoteness of the islands and lack of services in the atolls. Even so, MDG Target 1A had been achieved by 2004 as part of the overall tide of poverty reduction that swept across the Asia-Pacific region since the early

Situation Analysis

Barely 30 years ago, Maldives was one of the world's 20 poorest countries, with a population of around 150,000. Today, with slightly less than twice that population (Census 2006), it is on its way toward official middle-income status, building on generally sustained growth and rising prosperity. Until the 2008-2009 financial, food and fuel crisis,

1990s. According to the VPA 2004, about 1 percent of Maldives' population was living on less than US\$1 a day; Using a higher poverty line of US\$3 a day, however, 19 percent of the population could be considered poor.

It is clear that rapid economic growth hides wide and increasing income disparities across areas within the country, representing an increasing cause for



⁶ MPND, BPOA Review 2006.

⁷ United Nations Situation Analysis of Emerging Development Challenges in Maldives, January 2010.

⁸ Also for 2004, Bangladesh, 0.32; India, 0.33; Pakistan, 0.33; Sri Lanka, 0.34.

⁹ Based on dwelling and household characteristics, consumer goods and assets used as measures of socioeconomic status

serious concern. Indeed, income poverty in Maldives has strong geographical and rural dimensions.

VPA 1997 and 2004 data indicate that poverty has fallen most in Male', from 23 percent to less than 5 percent between 1997 and 2004 alone; in the atolls, the decline was less sharp but significant, from 52 percent to 25 percent. In terms of consumption, the share of the poorest 20 percent of the population has increased in all regions between 1997-2004. However, overall the income share of the poorest 20 percent has remained the same, with a possible explanation being the rise in income inequalities between regions⁶. The Gini coefficient between Male' and the atolls has grown by 50 percent, from 0.12 to 0.18⁷; in addition, the Gini coefficient for Maldives as a whole was 0.41 in 2004, pointing to significantly higher inequality than in neighbouring countries⁸.

All this means that income poverty remains especially concentrated in the atolls, particularly in the north and north-central regions. These regions contain more than 60 percent of the poor; furthermore, VPA data also suggest that more than half of the poor are "transient poor," underscoring continuing vulnerability of the population to various shocks. At a minimum, these increases in inequalities may further accelerate migration to the capital, worsening existing congestion and related social issues in Male'.

Ensuring inclusive growth, thus is vital. Indicating the strength of the impact of the 2008-2009 food, fuel and financial crisis on the country, a recent poverty dynamics analysis indicates that many of Maldives' non-poor have fallen back into poverty, necessitating policies to reduce such heightened vulnerability (see foot note 11). Therefore, a clear understanding of current poverty dynamics is required, as are sex-disaggregated data on poverty assessment. Important additional dimensions of vulnerability that require improved understanding include food insecurity (see MDG Target 1.3) and an acute vulnerability to natural disasters (see MDG7).

Meanwhile, poverty reduction, particularly in the

broader sense of measuring non-economic aspects of poverty and contributing to human development, remains central to Maldives' development agenda. The first two VPAs, in 1998 and 2004, represented critical breakthroughs in poverty data collection. In recognition of the importance of island-specific information, these studies were conducted in the whole country, representing the most comprehensive assessment at the time, both in terms of geographical coverage and range of development concerns, needs and priorities from the perspective of the people themselves. The release of the preliminary DHS 2009, which did not collect data on consumption or income but bases some results on ranking by wealth quintiles⁹, also provides a good opportunity to further examine indicators of households' economic status.

Relevant Government Strategies

The new Government is committed to enable vulnerable groups to live in dignity. In the past, fragmentation among social protection and safety net interventions, such as benefits for the poor, assistive devices for persons with disabilities, and medical welfare, resulted in leakages and exclusion among the vulnerable groups. The Government thus has embarked on a policy of transforming fragmented social safety net programmes into a comprehensive, three-tiered social protection system, ensuring fiscal sustainability and optimum coverage.

Social protection is, thus, intended to consist of targeted assistance, preventive measures and transformational measures to provide trajectories out of poverty. A rights-based approach is to be used in designing interventions. In this regards, a social health insurance scheme and old-age basic pension and retirement pension scheme were introduced in 2009, the latter is supported by pension law that was passed in 2010 and is being implemented.

In addition, in an attempt to ensure macroeconomic stability as well as to boost the incomes of the poorest Maldivians, many of whom rely on fisheries, the Government has announced a number of initiatives. These include (1) low-cost loan schemes

for smaller fishing businesses; (2) establishment of a domestic floor price for fish in line with international price movements and a movement toward a market-driven industry in the future; (3) diversification of traditional line and pole fishing methods toward high-value-added products and sustainable aquaculture; (4) establishment of appropriate infrastructure facilities in different regions of the country; and (5) consideration of a suitable fisheries promotion institution.

Challenges: What Needs to Be Done

■ Build Data Collection and Management Capacity

The Government recognizes the importance of developing a long-term poverty targeting strategy that is robust and sustainable, which would, however, necessitate technical and financial assistance to build capacity at all levels of a decentralized administration. Building data collection and management capacity at strategic agencies has particularly been identified as a crucial element for improving efficiency and reducing leakages in social expenditure.

■ Ensure Better Social Targeting of the Poor

In the medium and long run, the Government will need to ensure that cash transfers effectively target the poor and vulnerable, while continuing to see that fiscal costs are limited. With the expectation of an increasing elderly population, proactive measures need to be put in place to address emerging protection issues for this cohort that are likely to worsen if neglected. The urgency for this is further increased by the public sector downsizing measures that must be undertaken, under which older employees, especially the unskilled, and because they are likely to be the most senior as well, are most likely to be made redundant, taking away their income self sufficiency.

■ Strengthen Capacities to Care for the Vulnerable

Although the Government has pledged State care for the vulnerable, the institutional and community capacity, including within community CSOs, to provide such care and outreach services is extremely weak. Alternative care systems, including regulatory and institutional frameworks for children, the elderly, persons with disabilities and victims of violence require immediate strengthening.

■ Expand and Strengthen Social Protection in the Long Run

Long-term measures will need to concentrate on the second and third tiers of the social protection framework. These include mandatory social health insurance and contributory retirement schemes, in the first instance, and voluntary schemes for unemployment, disability, sickness or life insurance, in the latter. While the Government has spearheaded development of the bottom two tiers of the framework, it plans to play a different, facilitating role in development of voluntary schemes. However, effective implementation of the system will continue to require a coordinated commitment between civil society, the Government and donors to address financial, institutional and capacity constraints to reduce emerging gaps in sustaining poverty reduction.

Target 1B: achieve full and productive employment and decent work for all, including women and young people

Situation Analysis

Table 4: Indicators for target 1B

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)
1.4. Growth rate of GDP per person employed	2.6 (1992)	N/A	14.6 (2006)	N/A
1.5. Employment-to-population ratio	49.8 (1991)	60.4	54	N/A
1.6. Proportion of employed people living below \$1 (PPP) per day	N/A	N/A	N/A	N/A
1.7. Proportion of own-account and contributing family workers in total employment	46.3 (1990)	50.3 (2000)	N/A	N/A
Proportion of own-account and contributing family workers in total employment, women	56.4 (1990)	N/A	N/A	N/A
Proportion of own-account and contributing family workers in total employment, men	43.8 (1990)	N/A	N/A	N/A
Own - account workers	N/A	N/A	16 (2006)	N/A
Contributing family workers	N/A	N/A	13 (2006)	N/A





Following the widespread conviction that poverty can only be reduced if people have decent and productive jobs, Target 1B was added under MDG1 in 2006: Reaching full and productive employment and decent work for all, including women and young people. Such a complex concept is not easily captured, however, in a set of indicators that should fulfill strict criteria. A serious lack of fully up-to-date data makes assessing overall progress toward the target very difficult.

Overall, growth rates in 2009 were negative, from a Government estimate of -1.3 percent to IMF estimates of -4.5 percent. In addition, the small size of the domestic market makes it very difficult to create viable domestic industries, effectively ruling out any major import substitution activities. Heavy dependence on marine resources, through fishing and tourism, compounds vulnerability across the country, particularly since catch levels have dropped precipitously, by 22 percent in 2007 and a further 17 percent in 2008. Many fishing boat owners, with incomes eroded, are facing liquidity problems and are confronted with foreclosure of their assets. Another badly affected sector has been manufacturing, including manufacture of articles of cork, straw and plaiting materials, where many women are employed.

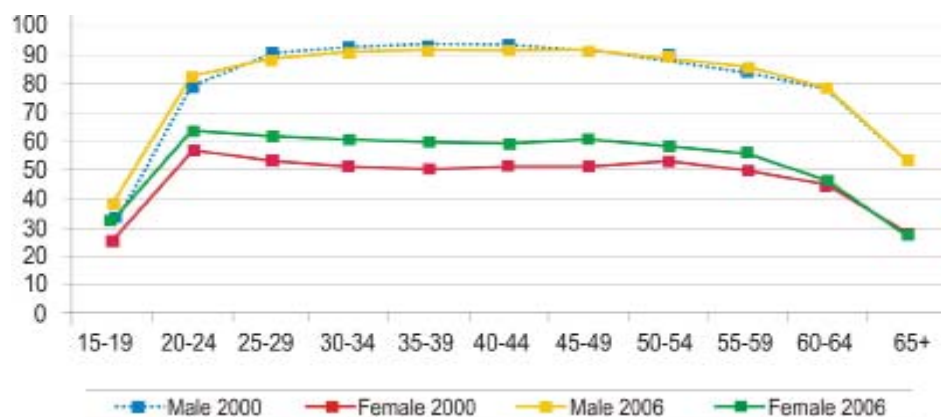
The most recent data on labour force participation

and employment, from the 2006 Census, indicate total employment in Maldives at 110,231, of whom 63 percent were males and only 37 percent females. The labour market in Maldives is heavily concentrated in and around Male,' the capital. Significantly, the public sector remains the largest Maldivian employer overall, but with increasing fiscal constraints, this is changing rapidly.

Households living in the outer atolls rely primarily on fishing, agriculture and self-employment. Nearly 1 in 4 employed Maldivians work as crafts persons and in related activities, although the average is much higher for females (31 percent) than males (18 percent); this sector is highly vulnerable, however, to external shocks.

Only 15 percent of employed Maldivian men and 4 percent of employed Maldivian women work in tourism, and by far most tourism employees are expatriates. Overall numbers of expatriate employees (80,000) equal more than one-quarter of the Maldivian population and up to 80 percent of total employment in Maldives, representing a sharply rising concern. Social and economic ramifications of such a large contingent of expatriate workers relate to labour substitution, outflow of resources through foreign remittances, and social or cultural differences. Expatriate workers are heavily concentrated in tourism, construction, health, education and other social services.

Figure 2: Employed population, male & female, 2006



Unemployment and underemployment represent very serious issues for Maldivians, particularly youth and women. The total number of unemployed was estimated in 2006 at some 18,600 – a very high 14.4 percent. Male unemployment rates have been estimated to be considerably lower than for females – 8 percent versus 24 percent.

In recent years, a demographic wave of new entrants has swarmed into the labour market. As a result of an annual increase of more than 4 percent in the youth population, a large percentage of the population completes higher education each year yet remains unemployed or underemployed. According to the Census 2006, unemployment among youth has increased to 12.15 percent in Male' and 18.71 percent in the atolls. This is due to a lack of employment opportunities, lack of skills for high-income jobs, a skills-to-jobs mismatch and rigidity of social norms that discourage girls from certain kind of jobs, and that makes it acceptable a long-term dependence on parents and family¹⁰.

A more serious concern is that nearly 38 percent of Maldivians aged 15 and over do not participate in the labour market; total labour force participation is only about 129,000 out of an estimated population of 206,000 in this age cohort.

The ratio of employed to total population increased between 1995 and 2004 for both female and males, but has since fallen. While the ratio of employed to total population averaged about 60 percent from 2002 to 2006, the ratio dropped to 57

percent during the period 2007 to 2008.

Growth in GDP per person employed also has dropped recently: although the average growth rate between

1995 and 2005 was about 1.5 percent per year, it has declined since 2006. Similarly, labour productivity declined by about -0.15 percent between 2006 and 2008, in part because of increasing congestion in the labour market.

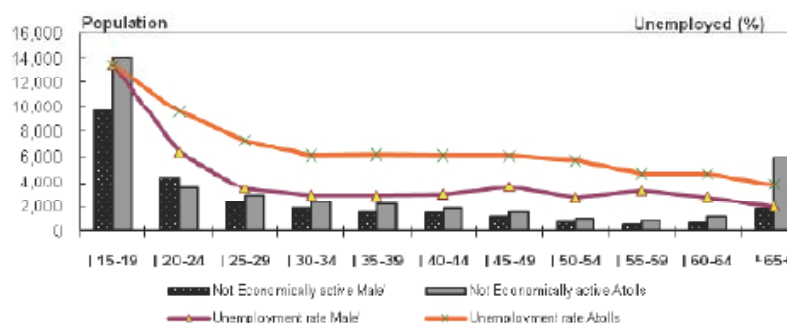
Relevant Government Strategies

The 2008 Constitution grants the right to work, organize trade unions and strike, and prohibits forced labour and discrimination. In May 2009, Maldives became a member of the International Labour Organization (ILO) and is in the process of developing labour legislation and administration, increasing labour market data and information, and initiating elements of social dialogue, tripartism, negotiation and collective bargaining to increase capacities and set up mechanisms to deal with labour relations and dispute resolution.

The main goals of this sector, as stated in SAP, are to (1) promote the right to work; (2) increase labour force participation of locals by creating a cohort able to fill skills gaps; (3) minimize disparities in employment between regions; (4) facilitate increased employment of women and youth; and (5) establish benchmarks based on ILO standards in managing the employment sector.

To this end, the Government is encouraging and promoting projects and programmes under policies and strategies linked to increasing employment opportunities in all regions of the country. It is giving

Figure 3: Unemployed population, 2006





priority to establishing an environment conducive to human resource development in the regions, developing local expertise for high-skill and high-income jobs, creating employment opportunities for women, strengthening labour relations and legislation as per international standards, and strengthening migrant worker monitoring mechanisms.

An Employment Act has been in force since July 2008, and its implementation has helped improve labour market conditions. The Act sets basic regulations relating employment as well as the rights and responsibilities of employers and employees, based on the fundamental principles of the ILO. Mandatory requirements of the Act include limiting the working week to 48 hours and having contracts between worker and employer. Further developments resulting from the act include establishment of a Labour Tribunal and Labour Relations Authority. Overall, ILO membership since May 2009 has improved assistance in training and capacity building of the Government, employers' groups and employee associations, as well as ratification of the international labour standards.

Challenges: What Needs to Be Done

■ Improve Labour Market Information

Lack of a Labour Market Information System (LMIS) makes it impossible for the Ministry of Human Resources, Youth and Sports to implement necessary policies for effective labour administration. In addition, the absence of relevant data makes it impossible to monitor progress toward MDG target 1B properly. Thus, a LMIS needs to be established and maintained but a precondition will be to more strongly develop the statistical abilities of the Ministry of Human Resources, Youth and Sports. Specifically, a statistics unit needs to be formed with trained and qualified staff, and sufficient financial resources made available. In addition, an official labour force survey needs to be conducted.

■ Provide Stronger Career Guidance and Job Matching

The new entrants and re-entrants to the labour market need to be fully informed of occupations and places where jobs are available. In addition to strengthening online job matching services, social marketing, including school-level counseling, is required to demonstrate the importance of using facilities available for both employers as well as job seekers. These services must be made more accessible to the youth and employers alike in islands without job centres by establishing mobile units. Services provided by existing job centres should be expanded and improved.

■ Emphasize the Dignity of Technical and Vocational Education and Training and Jobs

The huge mismatch between the skills required in the labour market and what school leavers possess plays an important role in high youth unemployment. If the thousands of youth without jobs do not develop these skills, their continuing unemployment is likely to exponentially increase both poverty and other major social issues.

A two-track Technical and Vocational Education and Training system (TVET) has been established and is demand-driven, accessible, beneficiary-financed and quality-assured. Though the main objective of TVET is to supply the labour market with a skilled workforce, in fulfilling this objective TVET is also creating better employment opportunities by providing skills for decent jobs and encouraging earning while learning. Community-based NGOs also actively participate in coordinating and delivering skills-based training programmes in high demand within the community or region.

However, as in many Asian countries in Maldives too, social attitudes toward vocational education are not encouraging. A negative attitude toward manual work decreases the demand for vocational education. Further, TVET is conceived as a system of education for the poor or for academically disadvantaged students ineligible for admission into higher education. Vigorous social marketing and awareness campaigns are needed to change the

attitudes of youth as well as the mindset of parents to technical and vocational education. Concurrently, quality and content of general education requires special attention.

■ Increase Awareness on the Importance of Being Employed

Given that part of unemployment, in particular youth unemployment, is voluntary, further emphasis is needed to raise awareness about the importance of earning a living. The workforce needs to be educated with both life skills and career guidance. Related to this point, broader awareness also is required to change the perception of youth and their parents about blue-collar work, and a strong work ethic should be promoted among the labour force.

■ Increase Labour Force Participation of Females

Focused attention likewise is needed to increase the participation of females in the labour market (see also MDG3). Emphasis must be given to raising awareness about the importance of women working, and to finding ways of relieving them of household duties. In this regard, provision of day care facilities, easy and safe access to nearby tourist resorts, and credit facilities for female entrepreneurs will be especially important.

■ Create Accessible Jobs in Atolls

Because unemployment is higher in the atolls than in Male', special attention is needed to create jobs in the atolls, as well as to provide access to these jobs. Development of the proposed decentralized system of governance, strengthened transport systems and privatization, must be used to leverage these new jobs and reduce inequalities in employment opportunities between the atolls and Male'. For instance, a coherent strategy for the absorption of Maldivian workers into tourism, the main industry, and for human resources management in this key sector particularly must be developed.

■ Develop Labour Standards

Occupational health and safety standards and regulations must be developed and monitored. In addition, the labour inspection system needs to be strengthened through appropriate training of inspectors to ensure implementation of labour laws and regulations.

■ Promote Private Sector Employment

Given that the public sector cannot be relied upon to generate sufficient jobs, especially now that the civil service is being reduced, an environment conducive to private employment needs to be strengthened. In this regard, the emphasis needs to be on improving access to credit, skills development, better infrastructure and a strong legal framework. Particularly because of high unemployment among the youth, entrepreneurship development programmes, employment training and support to start-up businesses, focusing on the youth cohort, are needed.

Target 1C: halve between 1990 and 2015, the proportion of people who suffer from hunger

Table 5: Indicators for target 1C

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
1.8. Prevalence of underweight children under 5 years of age	45% (1997)	27% (2004)	N/A	0.173	23%; achieved
1.9. Proportion of population below minimum level of dietary energy consumption	9.0 (1991)	7.0 (2004)	N/A		

Situation Analysis

Malnutrition or poor nutrition adversely affects health, survival and development and impedes achievement or continuing progress on other MDGs. Apart from insufficient food intake, other key factors contributing to malnutrition include poor socioeconomic status, undesirable socio-cultural practices, lack of safe drinking water, poor environmental sanitation and personal hygiene, recurrent infections and lack of awareness.





Maldives faces difficulty in all aspects of food security, including availability, affordability and accessibility of food. Because of low food production in the country and limited variety, most food items are imported, which results in very high costs, especially in the atolls. Consumption of meat, fruits and vegetables in the atolls, even once a week, is rare. While locally grown fruits and vegetables such as taro, cucumber, chilli, papaya and guava are favoured, fresh foods in marketplaces often are imported items such as apples, oranges, carrots and cabbages.

Irregular supply and serious transportation constraints across wide distances offer further barriers to Maldivians consuming nutritious food. Present dietary habits also restrict the consumption of vitamin- and mineral-rich foods. In addition, food shortages, particularly on remote islands with limited access to markets, tend to be greatest from September to December, when seasonal fish catches are lower. Increased consumerism, along with the introduction and aggressive advertising of “junk” foods and inadequate access to health care, have further severely compounded the nutritional challenges of the population.

The study on the impacts of financial, food and fuel crises of 2008-2009,¹¹ showed that more than 1 in 5 respondents, especially in outlying islands, lacked an adequate quantity of food sometime during the previous year. About 1 in 3 households, particularly in Male', also stated that they had reduced food stocks compared to a year earlier, underscoring urban impacts of the crisis. Fish and flour were short most commonly, because of low seasonal catches and resultant low purchasing power. Coping mechanisms during these times included switching to lower-cost and lower-quality foods or sending children to live with other relatives.

Poor nutrition for women is one of the most damaging outcomes of gender inequality. It undermines women's health, stunts their opportunities for employment and education, and impedes progress toward gender equality and women's empowerment. Especially for younger Maldivian women in their

peak years of fertility, higher energy deficiency is common.

Children also particularly face three key impacts of malnutrition: general malnutrition, or low weight for age; chronic malnutrition, or low height for age, reflected in stunting; and acute malnutrition, or low weight for height, reflected in wasting. Stunting, caused by long-term insufficient nutrient intake and frequent infections, generally occurs before two years of age, and effects are largely irreversible. Wasting, a strong predictor of mortality among children under 5, usually results from acute food shortages and/or disease.

The percentage of children under 5 who are underweight has gradually declined, from a very high 43 percent in the 1994 National Nutrition Survey – the first systematic research into nutrition conditions in the country – to 17.3 percent in the DHS 2009. Similarly, stunting had declined from 30 percent in the MICS 1996 to 18.9 percent in 2009, and wasting from 17 percent to 10.6 percent over the same period. Child malnutrition however is still unacceptably high and remains a priority public health issue in Maldives..

Particularly given the lack of fruits and vegetables in the diet, micronutrient deficiencies are widespread in Maldives. However, prevalence of anaemia among women of reproductive age declined from 51% in 2001 (MICS 2001) to 15% in 2007. Among children 6 months to 5 years of age 26.3% were found to be anaemic.¹² Other important micronutrient deficiencies include Vitamin A, folic acid, calcium and zinc.

Proper infant feeding practices from the time of birth are important for children's mental and physical development. Breastfeeding improves the nutritional status of young children and reduces morbidity and mortality. The timing and type of complementary foods introduced in an infant's diet also have significant effects on the child's nutritional status. In a positive step for Maldives, data show improvements in exclusive breast feeding up to age 6 months, from 10 percent in 2001 to a preliminary

11. UNICEF Food, Fuel and Finance Crisis Survey, Maldives 2009.
12. Micronutrient Deficiency Status and Its Impact on Child Health in South-East Asia " WHO/ SEARO PowerPoint presentation, International Workshop on Micronutrients and Child Health, 20-23 October 2009

finding of 47.8 percent in 2009¹³. At the same time, about half of the people interviewed for the UNICEF Food, Fuel and Finance Crisis Survey 2009 thought that certain foods should not be provided to young children, along with pregnant women or nursing mothers. Among them, 38 percent thought that it was unsafe to feed eggs to a child younger than 1 year, and 43 percent thought it unsafe to give them chicken or beef.

Relevant Government Strategies

Only recently has extensive work been undertaken for the promotion of good nutrition in Maldives. The Fourth National Nutrition Strategic Plan 2007-2010 deals with existing and emerging nutrition concerns using the “triple A” cycle – “assess,” “analyze” and “act” upon nutrition concerns – and establishes a rights-based approach and a life-cycle perspective. A draft National Food and Nutrition Policy is expected to be prepared by the end of 2010. A national-level programme for micronutrient fortification of food staples remains to be developed.

Challenges: What Needs to Be Done

■ Stimulate Local Food Production and Markets

To address food security issues, coordinated involvement of sectors such as agriculture, commerce, education and transport will be necessary to stimulate local production and facilitate the growth of local and national markets.

In addition to increasing accessibility to and affordability of essential food, it is essential to disseminate information on the nutritional quality of imported foods and food safety concerns. Development of standards and monitoring systems for food quality and safety thus will be necessary.

■ Tackle Micronutrient Deficiencies

Improving the current dietary practices in order to reduce micronutrient deficiencies likewise is critical.

This can be achieved by creating nutrition awareness through nationwide nutrition campaigns, specifically targeted to different vulnerable groups. Delayed introduction of complementary foods increases the gap of the nutrient needs of the growing child, leading to growth faltering and malnutrition. The promotion of exclusive breast feeding up to six months of age, and of continued breast feeding with appropriate and adequate complementary feeding at least up to age 2 years of age, is crucial.

■ Develop Capacities of Trained Personnel

A shortage of trained personnel in the fields of health, nutrition and food production has proven a major hindrance to improved nutrition within the country. An urgent need exists to train people at all levels in order to provide the essential services and aids required by communities in these areas.

MDG1 Conclusion

Poverty is multi-dimensional; therefore, poverty reduction efforts must be multi-targeted. Policies have to straddle different disciplines and must include economic, social, political and institutional instruments. The institutional environment in which the poor derive their livelihoods, and the socioeconomic factors that restrict their access to resources, can influence the relationship between economic growth and the level and extent of poverty. Although MDG1 has been achieved in Maldives, additional efforts must be undertaken in numerous areas to address remaining gaps, particularly in terms of expanding limited employment opportunities, especially for youth and addressing persistent high levels of undernutrition among children.

At the same time, rising inequality can seriously threaten the gains in poverty reduction achieved in recent years. Inequality strikes at the core of inclusive, sustainable human development. For Maldives, institutions and policies that promote a level playing field — where all members of society have similar chances to become economically productive, socially active and politically influential



— will contribute to sustainable growth and development. Greater equity is doubly good for continued progress in poverty and hunger reduction, through potential beneficial effects on aggregate long-run development, as well as through greater opportunities for poorer groups within Maldivian society.

36



Goal One
Eradicate Extreme Hunger and Poverty



Goal Two

Achieve Universal Primary
Education

Target 2A

Ensure That, by 2015, Children Everywhere, Boys and Girls Alike,
Will Be Able to Complete a Full Course of Primary Schooling





Goal 2: Achieve universal primary education

Target 2A: ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

to attend schools on nearby islands. In Male', by contrast, increasing congestion in classrooms is becoming a concern.

Table 6: Indicators for target 2A

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
2.1. Net enrolment ratio in primary education (both sexes)	86.71 (1990)	100	99	95.0 (2009)	100; achieved, but some indicators now off track
Boys	86.81 (1990)	100	97.9	94.7 (2009)	
Girls	86.71 (1990)	100	100.2	95.3 (2009)	
2.2. Proportion of pupils starting grade 1 who reach last grade of primary (both sexes)	N/A	138.2	78 (2006)	N/A	
Boys	N/A	140	N/A	N/A	
Girls	N/A	136.2	N/A	N/A	
2.3. Literacy rate of 15-24 year-olds, women and men	98.2 (1990) [census]	N/A	99.3	98.7	
Literacy rate of 15-24 year-olds, women	98 (1990)	N/A	99.4	98.2	
Literacy rate of 15-24 year-olds, men	98.3 (1990)	N/A	99.2	98.5	

In part because no gender disparity exists in primary education, literacy rates among 15- to 24-year-olds are nearly universal, and gender parity in literacy exists. According to data from the Census 2006, the literacy rate of women

Situation Analysis

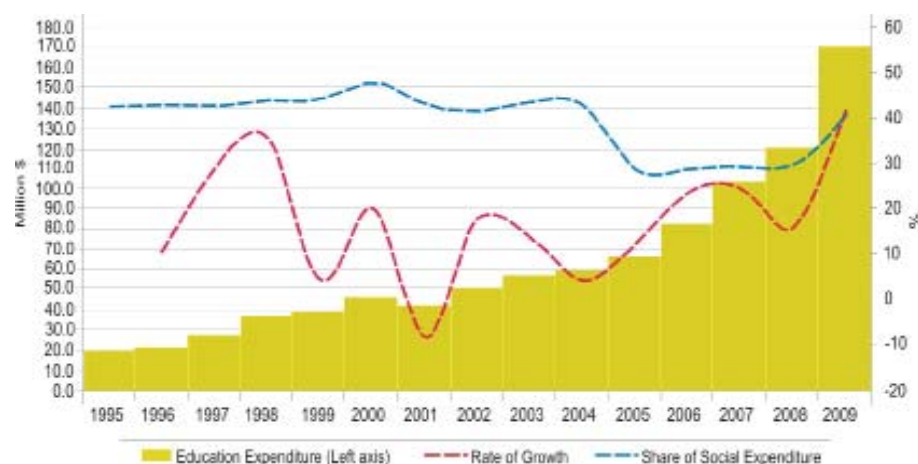
By the early part of the present decade, Maldives had been able to report the achievement of universal primary education, MDG2. Census 2006 data showed that 98 percent of children aged 6-12 were attending school. By 2009, 214 primary schools were offering free education, with all except 5 inhabited islands providing education at least up to Grade 7. In these 5 islands, schools were closed following community consultation in 2008, since there were not enough students to make the facilities viable; students are provided with a monthly stipend

aged 15-24 is higher than that for men in the same age group, at 97.3 percent to 97.0 percent (females/males aged 15-19) and 96.8 percent to 95.9 percent (females/males aged 20-24).

Government expenditures for education have soared, from US\$19 million in 1995 to more than nine times this value, US\$169.4 million, in 2009. Consequently, per-capita expenditure increased to an average of \$352 during 2005-2009 alone. At the same time, growth rates of education expenditures have fluctuated in recent years, as is shown in the figure 4. In the post-tsunami era, the decrease in



Figure 4: Education Expenditure, 1990 - 2009



Source: Ministry of Finance & Treasury

average allocations from the social sector budget was marked, although this is now being regained.

All this has not only underscored universal access to primary education, but also has helped to expand access to secondary education, including the establishment of secondary schools in the atolls. Secondary education now is offered in 168 schools, although not all schools offer all academic subjects. Net enrolment percentages stands, at 87.6 for lower secondary (92.1 female, 83.4 male) and 13.9 percent for higher secondary (14.8 percent female, 13.1 percent male¹⁴).

With regard to the increase in NER in lower secondary level, the transition rate from primary to secondary level has generally increased for both boys and girls; in 2009 this transition rate for boys improved to 102 percent from 91 percent the previous year, and that of girls to 111 percent from 100 percent in 2007, where the percentage of transition exceeds 100% is due to students migration from other island schools.

The overall net enrolment in lower secondary schools had improved tremendously between 2008 and 2009, from 69.2 percent to 87.6 percent. The net higher secondary enrolment rates, that have fallen to 4 percent in 2007, after the constant rise

since 2000 has generally increased the following year and is at 13.9 percent in 2009 suggesting that many students is continuing their secondary level of education. Reasons for this take account the government giving priority to expand secondary education and provide easy access to secondary level education, especially at the island level. However, reasons for net higher secondary enrolment rates to be still low are not entirely clear, but indicate an urgent need to observe household-level behaviour with respect to education.

Yet while in the last two decades the focus was on increased access to education, an urgent need now exists to improve the quality of both primary and secondary education. National assessments indicate low achievement in all levels of education and a difference in the quality of education between Male' and the atolls. Nationwide, only 26.3 percent of students passed English at the end of secondary school public examinations in 2009, while 39.7 percent passed mathematics. Even though this pass percent is an increase from 2008, with 20 percent passing in English and 33.2 percent passing in Mathematics, the pass percentage still remains very low. At the same time, many schools lack basic learning and teaching infrastructure, as the previous MDG Report 2007 found. The system of private tuition is ubiquitous.

Critically, the challenges of preparing students for the rapidly changing labour market must be prioritized, since the mismatch between skills needed and those acquired is large and growing. Vocational and technical education was introduced in schools in 2006, but a strategic approach to skills development is lacking. Hence, skills training in technical and vocational education is recognized as a priority area of focus for the future (see also MDG Target 1B).

Excessive reliance on untrained teachers and an unplanned mix of foreign/local teachers have significantly affected quality, among other factors. In 2004, for example, according to the VPA-2, while most islands had at least one trained teacher, 1 percent of the total population lived on islands where there were none who had been trained. Overall, nearly 1 in 4 teachers in Maldives remain untrained, with the proportion of untrained teachers very significant in pre-primary and primary schools, where Maldivian teachers are predominant. Reliance on expatriates is significant in secondary education.

Meanwhile, the student-to-trained teacher ratio in 2004 was also more than 100 students per trained teacher for 4 percent of the atoll population¹⁵, and 19 percent of atoll residents lived on islands with 50 to 100 students per trained teacher¹⁶.

According to the statistics, a mismatch is observed in primary net enrolment with the number of enrolment projected in the census and those students that actually exist in the system. It has been recorded that Maldives has achieved universal primary school

enrollments since 2000, however recent statistics shows that there is some inconsistency in this figure. In 2005, the net enrolment rate is more than 100% where the reason for number to be over 100% remains vague. In 2009 the net enrolment rate stands at 95 percent. It needs to be investigated as to why the figures fell after the 2006 Census, whether it is because of more accurate data or some other reasons like students going abroad for studies or more students being out of school now. Because of the limited opportunities for higher education, a significant number of students live away from their families to pursue higher secondary as well as tertiary education. Lack of a university in the country further reduces access to higher education. The ratio of males with degree-level qualifications to females has reduced from 4.2 in 1990 to 1.7 in 2006.

Since 1983, government of Maldives has not conducted any literacy survey. Data is being collected through population census in which the respondents just say yes to the question which asks whether they know to read and write at the basic level. When it comes to 15-24 year olds, the assumption is that if they are attending or have attended school they are literate and that more than 80% of special needs people would not be literate.

The Government began establishing classes for children with special needs in 2006, with a vision to set up at least one school in each atoll for such children by 2010. Currently 11 schools accommodate approximately 184 children with special needs, of which three schools are in Male'. However this is difficult and costly and infrastructure is not accessible, therefore it does not cater to all

Figure 5: Local and expatriate teachers at different levels in schools, 2009



15 8 percent in 1997.
16 30 percent in 1997.





Figure 6: Student enrolment in Schools by education level, 2009

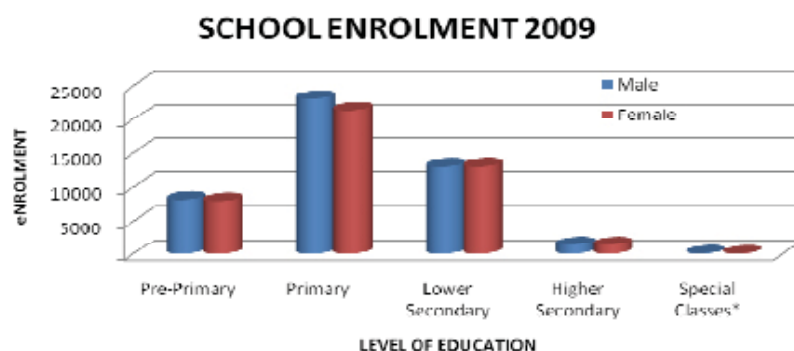
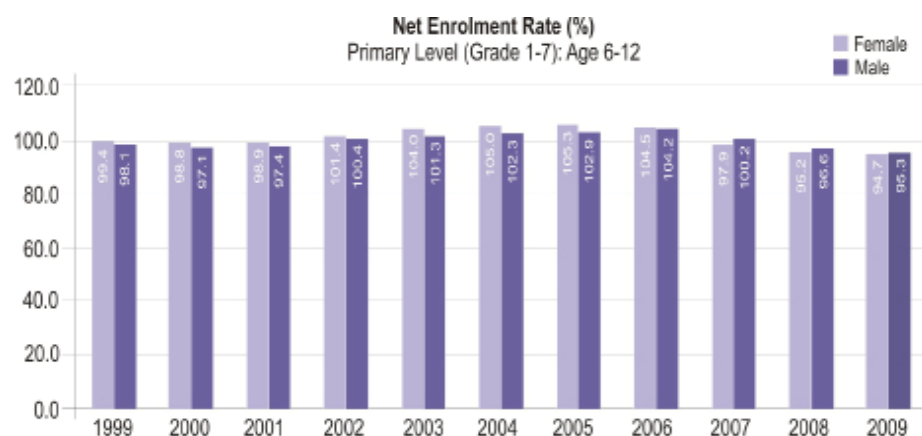


Figure 7: Net enrolment rate in primary school, 2009



Source: School Statistics 2009, Ministry of Education

the disabled group. The Education Development Centre (EDC) is currently conducting a mapping survey to find children with special education needs throughout the country out of which 16 atolls have been finished so far.

Lastly, an increasing emphasis exists on engaging the private sector to participate in the education sector. This is intended to free up resources to enable a stronger focus on the most disadvantaged and poorest. Thus far, corporate management and structures have been introduced in a few schools, and private schools have been allowed to open.

Relevant Government Strategies

In 2008, the new Constitution bestowed education as a human right and mandated the Government to provide free education up to Class 7. Also, with the enactment of the Disability Act in 2010, all children with special needs would have access to primary and secondary education.

The Government's main aims in education, as outlined in the SAP, include (1) ensuring provision of equitable access to quality education as a basic human right for students from all regions, including children with special needs, (2) improving the quality of education to ensure the holistic development

of the child; (3) ensure that the education system serves children with special needs; and (4) aligning the education system to the economic and social needs of the country. These goals are linked to, and hence need alignment with, policies related to human rights, transport and connectivity, gender, social protection, climate change adaptation and public-private partnership schemes for successful overall implementation.

Therefore, the Government is emphasizing the clear adoption of appropriate education policies, strengthening of the educational system, involvement of private sector, decentralization of education management, equitable access to all levels of education, promoting more holistic education, expanding educational needs for children with special needs, linking the school system to employability skills, and optimizing teaching through information, communication and technology. Critically, the Government also has initiated conversion of the school system from double-shift to single shift, with a total of 101 schools functioning as single-shift schools in 2010, most of which are based in the islands. In the coming years the government will test various options to achieve this aim for all schools.

Challenges: What Needs to Be Done

■ Build Institutional Capacity Through Recruitment and Retaining of Professionals

Professional development programmes must be planned across the regions for teachers, especially the untrained. Targeted programmes for the untrained represent the most efficient way to ensure that all teachers are experienced and qualified. Professional development also is needed for senior managers and administrative staff. Lead teachers and others need to keep up-to-date with new methodologies and pedagogy. A professional system for appraisal, monitoring and evaluation is also necessary in order to test the quality of teaching by teachers from all levels and hence, they can improve the quality of the education provided.

■ Develop Basic Skills in the Local Workforce

The Government recognizes that the education system must be aligned to the economic and social needs of the country. This is translated into a policy that states that Government interventions must ensure that all Maldivians are educated with basic skills, literacy and knowledge. Special emphasis is given to conduct a literacy survey in Maldives which is already put under the SAP. Lifelong learning programmes under this policy must be expanded, including development and implementation of skills development programmes for both in- and out-of-school youth. Hence, it is being considered to introduce vocational education in the curriculum improvement programme.

■ Ensure Decentralized Education Management

The SAP maintains that the management of educational institutions across the country must be decentralized via the establishment of Local Education Authorities (LEA). These authorities must be grounded in each of the seven provinces to ensure greater focus on provincial needs for providing access to primary and secondary education alike.

■ Track out- of- school children

The question of achieved universal primary education in Maldives is questionable at this stage. Children being taken out of school due to certain religious belief are now an emerging issue in Maldives and this data needs to be collected. Some non-functional families, especially drug related families' neglects to send their students to school which is a growing social issue which also leads to the issue of truancy. The government of Maldives is in the process of establishing a School Management Information System (SMIS) in collaboration with UNICEF. Once this is established it would be easy to collect all the necessary information and maintain student profiles, and address the issue of not having more disaggregated data at school level. This would also facilitate to do cohort analysis. In the meantime





it is planned to use each students' national identity number in all school documents in order to track out of school children. Building a residential safe home for girls is in process for providing education access to girls, especially those who belong to vulnerable groups.

■ Address Special Needs

The Government aims to expand educational opportunities for children with special needs, including the gifted and talented. An acute need exists to establish and strengthen mechanisms to identify children with special needs across Maldives, thus maintaining early intervention. Several students tend to drop out of school due to unidentified learning disabilities. One mechanism is to train selected people from each province to identify such children, including the gifted and talented. NGOs could also play an important role in this matter and therefore their role should be strengthened and promoted. At the same time, growing attention must be given to children who are separated from society, including those affected by issues such as family breakup and juvenile delinquency. Likewise, children in institutions and other facilities should also have the right for education and hence, a mechanism needs to be established, by which they can have access to education without being stigmatized by the society. The following actions are being taken to address this issue;

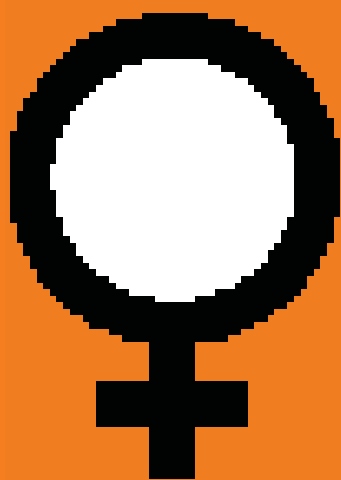
- a) Formulation of the disability act that ensures education for children with disabilities.
- b) Diploma level training programmes is being conducted for existing special education needs teacher.
- c) A Special Education Needs Policy is drafted and expected to be finalized by the end of 2010.
- d) Mapping exercises has been conducted to identify children with disabilities at an early age and is implemented for all students under 5 years of age.

■ Strengthen Higher Education

It is necessary to examine the education sector holistically; expanding opportunities and access to higher education facilities for remote and disadvantaged populations will require substantial investment in infrastructure and skills. Nearly 39,000 expatriates are classified as skilled labourers in the country, but Maldivians themselves face a shortage of skilled labour. The forming of a national university will open the door to train Maldivians locally. It is also important to open opportunities for foreign universities to establish their branches in Maldives, so that it will create more training opportunities for Maldivian in different fields. Scope exists to increase the employment of trained Maldivians in secondary education, given the current reliance on expatriates. Likewise opportunities for those seeking arts and science education, since such opportunities currently are limited compared to the commerce stream.

MDG2 Conclusion

Given the size of the youth population in Maldives and the demographic changes imminent in the next few years, the provision of quality pre-primary and primary education remains vital, along with a focus on increasing secondary school enrolment. Investment in sufficient and targeted education and human resource development can form a solid bedrock for continued overall human development in the country. Without such a focus, however, a negative "domino effect" will be seen throughout the society and the economy alike, imperiling the most basic development needs.



Goal Three

Promote Gender Equality and
Empower Women

Target 3A

Eliminate Gender Disparity in Primary and Secondary Education,
Preferably by 2005, and in All Levels of Education No Later Than 2015





Goal 3: Promote gender equality and empower women

Target 3A: eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015

Table 7: Indicators for target 3A

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
3.1. Ratios of girls to boys in primary, secondary and tertiary education http://planning.gov.mv/yearbook2009/Education/7.2&fig7.2.htm					
Primary education (Nationwide)	N/A	N/A	0.98	48% girls	50%; on track
Primary Education (Male')	N/A	N/A	N/A	49% girls	50%; on track
Primary Education (Atolls)	N/A	N/A	N/A	48% girls	50%; on track
Secondary education (Nationwide)	N/A	N/A	N/A	50% girls	50%; achieved
Secondary education (Male')	N/A	N/A	N/A	51% girls	50%; achieved
Secondary education (Atolls)	N/A	N/A	N/A	50% girls	50%; achieved
Tertiary education (Nationwide)	N/A	N/A	N/A	48% girls	50%; on track
Tertiary education (Male')	N/A	N/A	N/A	50% girls	50%; achieved
Tertiary education (Atolls)	N/A	N/A	N/A	45% girls	50%; on track
3.2. Share of women in wage employment in the non-agricultural sector	15.8 (1990)	N/A	30 (2006)	N/A	
3.3. Proportion of seats held by women in national parliament (%)	4	12	12	6	

Situation Analysis

The 2008 Constitution guarantees the same rights and freedoms for women and men, and upholds the principles of non-discrimination and equality. However, prevailing traditional and socio-cultural norms and attitudes continue to disadvantage women and girls in their daily lives, and to constrain women's active participation in economic and political activities and leadership. Thus, in

comparison to its impressive performance on other MDGs, Maldives continues to face a number of challenges with regard to MDG3 and gender gaps persist in key development indicators. The change in the governing system, constitution and policies of

Maldives, impacted on girls and women.

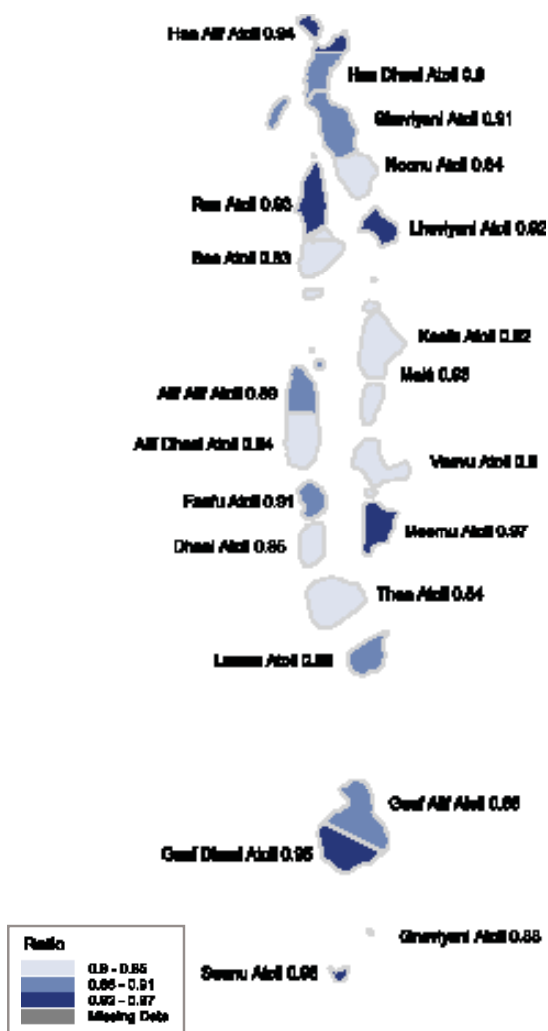
As noted under MDG2, girls are not disadvantaged in primary and secondary education; the gender disparity in tertiary education is decreasing. Nevertheless, the Department of Gender is getting few cases where girls are not allowed to attend schools, and some parents are refusing to

immunize their children, due to political and religious reasons.

The ratio of women to men with tertiary qualifications rose to 58 percent by 2006, from 24 percent in 1990, and could narrow further if key challenges are overcome, such as general lack of access to tertiary education facilities and societal hesitancy in sending young women to live away from home. Since family responsibility for women are



Figure 8: Gender Parity Index in Primary Level Enrolment, 2006



higher than men, there no support mechanism to support these women and other social obligations.

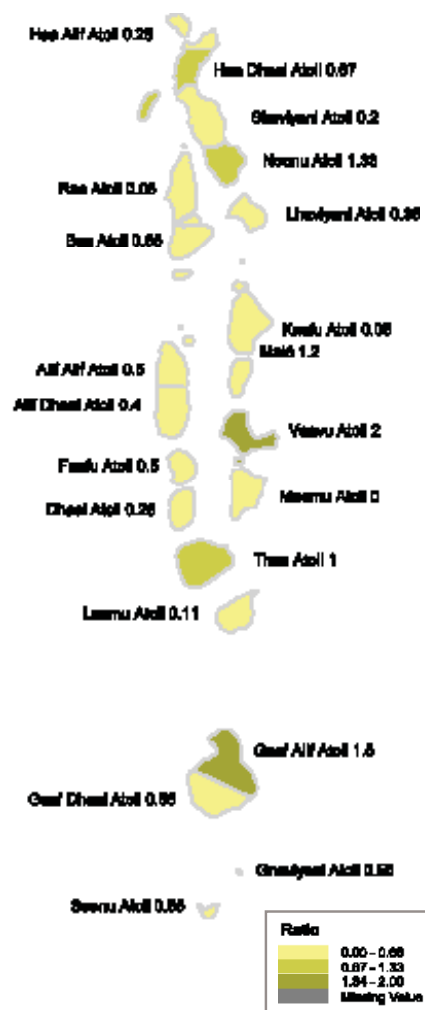
Despite the rapid growth of female labour force participation, for example, the female unemployment rate continues to be almost three times higher than that for males, as noted in MDG Target 1B.

In relation to paid female employment, between 1990 and 2005 female labour force participation

more than doubled, rising from 18 percent to more than 52 percent. Overall, women in the labour force stand at just under 41 percent. Women's participation is heavily concentrated in education (72 percent of employment), health (68 percent), manufacturing (65 percent) and agriculture (64 percent), so that women are still seen in stereotype roles.

Women also dominate the employee the informal sector. Meanwhile, non-agricultural and non-fisheries activities, especially in rural areas, provide only limited opportunities for women. The Census 2006

Figure 9: Gender Parity Index in Tertiary Level Enrolment, 2006



indicates that only 38 percent of those employed overall in activities other than skilled agriculture and fisheries work were female., and even though women engage in many unpaid economic activities there is no data available on such activities.

Continued progress in paid female employment must be analyzed in conjunction with factors such as the complex and changing dynamics of marriages and divorces, job-related migration, varying child care and household responsibilities, and evolving societal attitudes towards female employment. Existing laws and regulations are not gender sensitive and some of these laws and regulations are not enforced. For example the civil service regulation states maternity leave is for 60 days, including the weekends and public holidays. This does not conform to the employment act, which states that maternity leave is for 60 days without any qualifiers. Under the new civil service regulation pre and post maternity leave is not given at all. This discourages women from coming back to work. Also, since exclusive 6 months breast feeding is promoted, this new regulation contradicts with this too. Therefore gender analysis of laws and regulations should be done before enacting.

The family remains the most important social unit in Maldivian society, and household management, home and childcare is seen as the domain of women, while men are generally considered the household head. Women's domestic work burden is high, especially since the average household size is large (6.5 nationally, but 7.4 in Malé), with on average three children to care for. As recently as 2000, it was estimated that less than 4 percent of men contributed to household tasks of cooking, childcare, cleaning, washing or ironing.

Maldives has one of the highest rates of female-headed households in the world (47 percent), with more than half due to migration of spouses for work and one-sixth as a result of being widowed or divorced. Maldives also has one of the highest divorce rates worldwide; maldivian women have, on average, four marriages by the time they reach age 50. Although the reasons for such high marital turnover

rates are not yet known with certainty, causes appear to have a strong correlation to historical factors, economic and cultural changes, and other socio-economic dynamics. Although reasons for divorce might be recorded an analysis has never been done and addressed to decrease divorce. Moreover, this bears complex direct and indirect consequences on children and youth, including vulnerability to sexual abuse, juvenile delinquency and substance abuse.

A major challenge to achieving MDG3 is the extensive VAW experienced by women and girls in the country, which is emerging as a rapidly growing issue. Latest data on cases reported to Department of Gender on

Box 3: Violence Against Women in Maldives

Findings of the Maldives Study on Women's Health and Life Experiences, show conclusively for the first time that, as in the rest of the world, women in Maldives face various forms of domestic violence. The study indicates that 1 in 3 women aged 15-49 report experiencing at least one form of physical and/or sexual violence, which is associated with a wide range of physical, mental and reproductive health problems among women. Of those reporting physical violence, 39 percent reported "moderate" violence, while 61 percent reported "severe" forms such as being hit, kicked, and choked or having a weapon used against them. More than one-third of these women reported having been injured at least once, often seriously, and a significant proportion reported being injured many times.

VAW states that in 2008, 100 cases were reported and in 2009 100 cases reported. Also there was a significant number of cases reported that were committed by partners and gang related crime.

Gender-based violence is often considered a private matter, lying outside the realm of public debate. Such factors have helped VAW remain largely hidden and undocumented, and therefore have





hindered effective prevention strategies and support services for victims. Childhood sexual abuse also has been found to be relatively common, with 12 percent of women aged 15-49 having been sexually abused before age 15.

The Government adopted the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW), it reserved "its right to apply Article 16 of CEDAW concerning the equality of men and women in all matters relating to marriage and family relations without prejudice to the provisions of the Islamic Shariah, which govern all marital and family relations of the 100 percent Muslim population of the Maldives." The new Government, including the Human Rights Commission of Maldives, has recently raised concern over the danger of increasing fundamentalism and the need for immediate attention to confront its growth. The increasing prevalence of conservative ideas is indicated by rising practices of home-based religious education, the banning of girls' access to schooling, and limits to women's access to medical care and application of justice.

Women hold five out of 77 seats in the current national parliament (Citizens' Majlis), accounting for six percent of representation, whereas the same number of women representatives existed in the previous parliament out of a total of 50 members; the ratio of female to male parliamentarians thus has declined. At present, one cabinet minister and several deputy ministers are female. For the first time,

Maldives appointed two female judges in 2007, one to the family court and one to the civil court. In the civil service, 52 percent were female employees in 2008, although with diminished responsibilities.

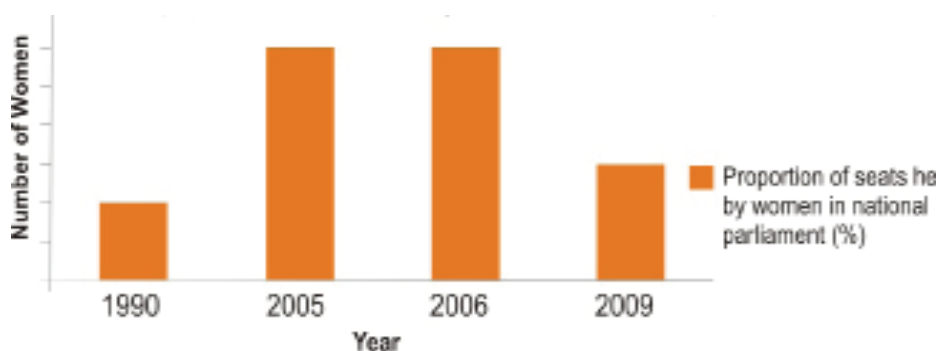
Relevant Government Strategies

The Government of Maldives is making a conscious effort to include both women and men in its economic and social development and to promote gender equality as a priority. This has included, among other changes, the absorption of the former Ministry of Gender and Family into the Ministry of Health as the Department of Gender and Family Protection Services, mainly responsible for protection services for women and children.

At the same time, the Policy Office of the Office of the President has taken the lead for ensuring gender mainstreaming. A Gender Equality Policy and Gender Mainstreaming Operationalization Framework have been adopted to facilitate informed decision making leading to the practical realization of gender equality goals. Maldives also has recently lifted its reservation to Article 7a of CEDAW, ensuring women the right to vote in all elections and public referenda and to be eligible for election to all publicly elected bodies.

The main goal of the SAP under the crosscutting theme of gender is to "ensure that equality of women and men is upheld, women and girls enjoy fundamental rights and freedoms on an equitable basis, and both women and men, boys and girls, are able to

Table 8: Proportion of seats held by women in national parliament



realize their full potential and participate in and benefit from democracy and development both in public and private life.”

With the recognition that gender mainstreaming and improved gender architecture are important to alleviate gender inequalities and enhance women's empowerment, the Government is focusing on development and implementation of an enabling legislative and institutional framework.

Strategies to be implemented under this policy include (1) preparing a Gender Action Plan; (2) appointing gender focal points in Ministries, through whom gender mainstreaming will be coordinated; (3) developing tools for gender mainstreaming and raising funds for related activities; (4) undertaking gender analysis through capacity development; (5) developing legislative reviews to identify gaps that lead to infringement of women's rights; (6) accounting for gender in the national budgeting process; and (7) establishing a mechanism to monitor implementation of international commitments related to gender equality and women's rights.

A major initiative with respect to VAW was the recent adoption of a resolution by the national parliament to eliminate VAW. Other important policies and legislation related to empowering women will be considered to facilitate their access to equal opportunities, outcomes and results, and to further cultivate a non-discriminatory culture within the country. All this is expected to pave the way to fully achieving this MDG.

Challenges: What Needs to Be Done

- Strengthen Government Capacities and Adopt/Enforce Necessary Legislation

Work toward achieving gender equality in Maldives has been ongoing, but the capacity to realize necessary legislation and its enforcement are still weak. With the adoption of the national Gender Equality Policy and gender mainstreaming as the

strategy toward realization of gender equality, the challenge now is to develop the capacities of the Policy Office of the President's Office as lead agency, as well as of sectoral Ministries and other departments. In particular, a need exists for further efforts to reform the Family Law by rereading the Shariah based on the spirit of equality espoused by Islam, in order to ensure gender equality and further women's rights within marriage, in accessing divorce, child custody and support, and in access to the marital home.

- Obtain More Accurate Data Related to Female Employment

Policies targeted toward correcting gender imbalances are urgently required to provide women with an opportunity to engage in meaningful and paid employment. However, this task is made extremely difficult in the absence of household-level data that can better reveal the intricacies and complex interplay of factors that correlate to female employment.

- Promote Education for Both Girls and Boys

In light of declines in school enrolment rates and a growing conservatism among some sectors of the population, intensified advocacy is necessary to ensure increased awareness on the importance of education for both girls and boys. Efforts already are being made by the Ministry of Islamic Affairs and other religious scholars.

MDG3 Conclusion

Overall, the gender gap in Maldives is closing, albeit perhaps slower than is necessary to meet this MDG by 2015. Cultural, religious and social norms of the country, in certain circumstances, may not promote women's equal participation; isolation and a lack of access to resources likewise pose major challenges too. In addition to a simple lack of gainful employment opportunities for women in the atolls, women face legal obstacles to their participation in development in some areas, including with respect

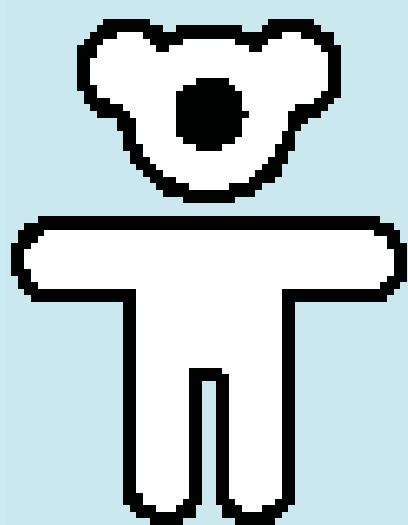


to property rights, inheritance and provision of legal evidence. Challenges also exist in women's participation in decision-making, with women under-represented in local and national government, and particularly so in policymaking positions. Creation of space and opportunities for women to contribute to development remains paramount, as does supporting them in acquiring the capacities to act for change.

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Goal Three
Promote Gender Equality and Empower Women

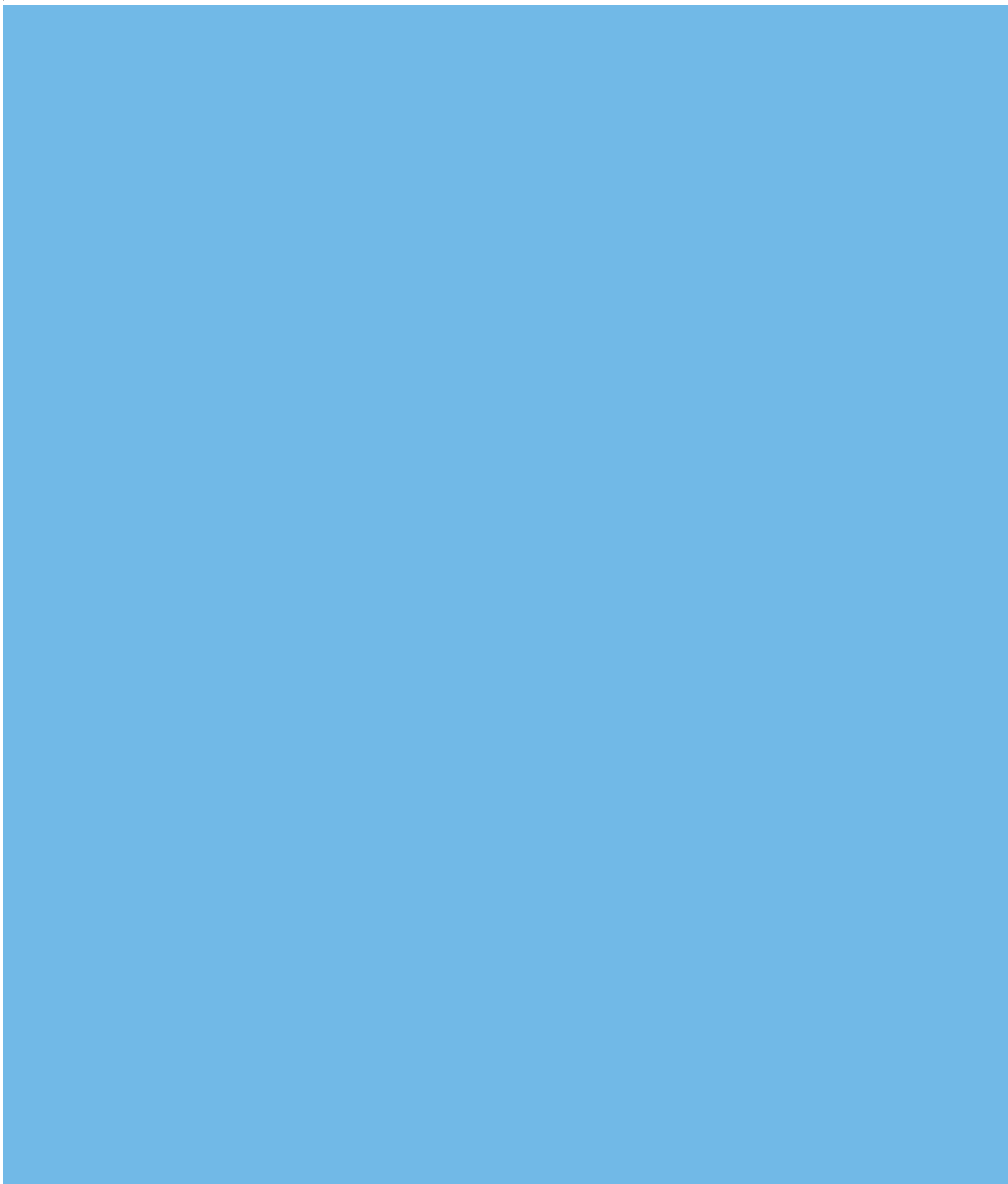


Goal Four

Reduce Child Mortality

Target 4A

Reduce by Two-Thirds, Between 1990 and 2015, the Under-5 Mortality Rate





Goal 4: Reduce child mortality

Target 4A: reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

Table 9: Indicators for target 4A

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
4.1. Under-5 mortality rate (nationwide, per 1,000 live births) http://planning.gov.mv/yearbook2009/Key%20Indicators%202009/Population.htm	48	10	12	12	10: achieved
Under-5 Mortality Rate (Male')	44	13	10	15	14: on track
Under-5 Mortality Rate (atolls)	49	18	13	10	16: achieved
4.2. Infant Mortality Rate (nationwide) http://planning.gov.mv/yearbook2009/Populations/3.9&fig3.5.htm	34	12	10	11	11: on track
Infant Mortality Rate (nationwide, males)	33	11	14	11	
Infant Mortality Rate (nationwide females)	34	13	6	11	
Infant Mortality Rate (Male')	33	12	9	14	
Infant Mortality Rate (Male', males)	30	8	12	16	
Infant Mortality Rate (Male', females)	41	16	6	13	
Infant Mortality Rate (atolls)	33	12	11	8	
Infant Mortality Rate (atolls, males)	34	14	15	7	
Infant Mortality Rate (atolls, females)	33	10	6	9	
4.3. Proportion of 1 year-old children immunized against measles	96 (1990)	97	97	0.98	
Male	N/A	N/A	N/A	04.0	
Females	N/A	N/A	N/A	94.2	
Male'	N/A	N/A	N/A	93.5	
Atolls	N/A	N/A	N/A	95	

Situation Analysis

Maldives has made considerable progress in reducing child mortality in the country, which is

tracked through indicators of the U5MR, infant mortality rate (IMR) and proportion of 1-year-olds immunized against measles. Since 1990, the U5MR

has fallen steadily, from 48 per 1,000 live births that year to 16 by 2005, thereby allowing Maldives to achieve MDG5. According to the DHS (2009), fluctuations exist in the annual rates available from the vital registration system. According DHS (2009), one in about every 60 Maldivian still dies before reaching his or her fifth birthday. The DHS examined childhood mortality by looking at changes in mortality rates

over the three successive five-year periods prior to the survey and found that mortality among young children has declined significantly in the 15 years prior to the survey, and that decline has



17 MDHS, 2009.

18 MDHS, 2009.

19 According to the MDHS 2009, treatment was sought from a health facility or health provider for every 8 in 10 Maldivian children who had experienced fever in the two weeks before the survey. Treatment was sought for a similar proportion of children with diarrhoea (84 percent), and 63 percent of children who had diarrhoea received oral rehydration therapy.

20 Even so, as noted in the analysis under MDG Target 1C, despite progress, exclusive breastfeeding rates for infants up to age 6 months still stand at less than 50 percent.

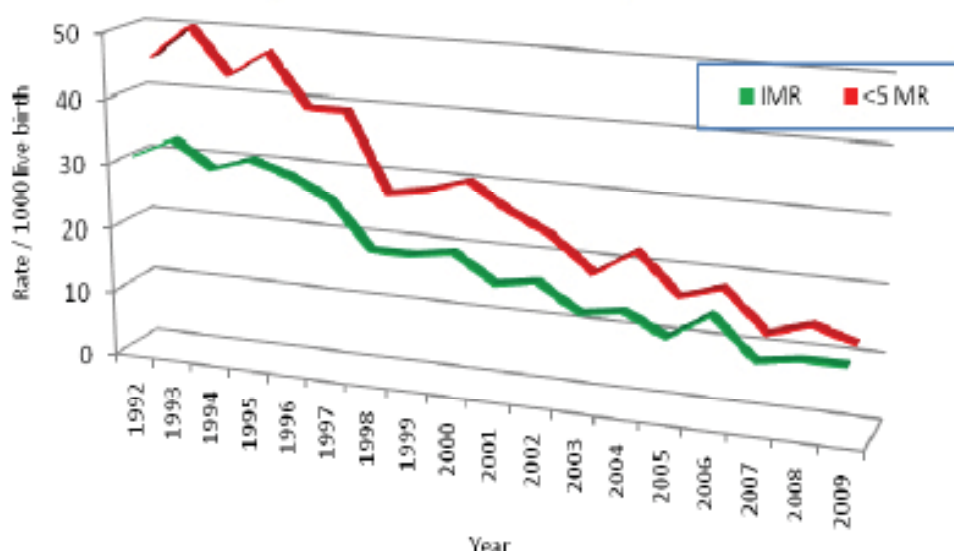
occurred much faster in the most recent five years¹⁷. The spread of basic health facilities and increasing per-capita health expenditures help to explain this impressive reduction, which has made Maldives second only to Sri Lanka in child mortality improvements in South Asia.

A further driving factor in the reduction of Maldives' child mortality rates was a secular decline in the IMR from 34 per 1,000 live births to 16 over the same period. Moreover, by 2008, IMR had dropped sharply

with the rate tapering off more slowly thereafter, as illustrated in the figure below. These trends holds true for both rural and urban areas, as well as for both genders. Other positive factors that may have influenced health outcomes under this MDG include, improvements in IMCI and breastfeeding, as well as overall strengthening of levels of women's education.

In many countries, for example, data indicate that the higher the level of mothers' education, the lower the IMR and U5MR, while high rates of health-seeking behaviour can help to overcome child death that is

Figure 10: IMR and U5MR, 1992 - 2009



further, to 11. During the period 2005-2009, up to 80 percent of child deaths occurred in the first year of the child's life, with seven in 10 of those deaths during neonatal period of the first month¹⁸. Indeed, Maldivians' high rate of care-seeking from health facilities during the antenatal period, along with better diagnostic facilities, has resulted in numerous premature babies being born live. The DHS 2009 found that 81 percent of births were protected against neonatal tetanus, which is a major cause of early infant death. In general, however, both IMR and U5MR fell steeply throughout the 1980s and 1990s,

directly attributable to a specific disease, such as pneumonia, diarrhoea or measles^{19, 20}.

Access to health services also varies widely in different parts of the country, particularly in remote atolls. Linkages to malnutrition – still a major issue in Maldives, as discussed under MDG Target 1C – also can be significant, thereby weakening a child's resistance to disease and contributing to mortality.

Maldives has maintained almost universal coverage for all vaccines for preventable childhood diseases

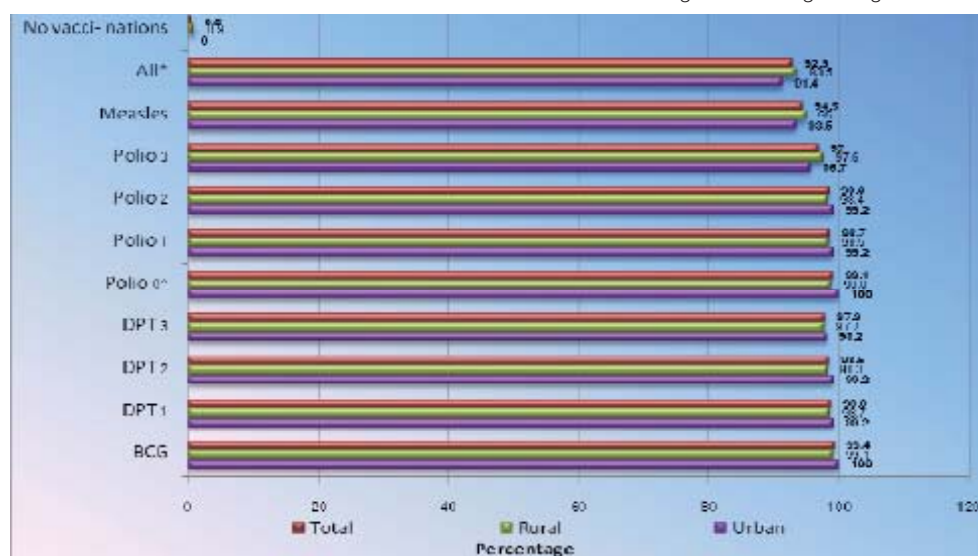
for nearly two decades, under its Extended Programme on Immunization (EPI). The overall percentage of children aged 12 to 23 months who are fully immunized has increased from 85 percent in 2001 (MICS) to 93 percent in 2009 (DHS 2009). Fewer than 1 percent of children have never received any vaccines. Consequently, the reduction in vaccine-preventable diseases has been significant: polio and neonatal tetanus are virtually eliminated. Furthermore, the country also has attained self-financing and procurement of all EPI vaccines, further strengthening the programme.

In particular, measles coverage – a key indicator for MDG4²¹ – stands at 94.5 percent. An intensive measles and rubella immunization campaign was

Relevant Government Strategies

Despite impressive progress on child mortality, great need still exists for additional attention to child malnutrition rates. Under the SAP, the Government has committed to provide affordable, accessible and quality health care for all. To operationalize this goal, a key focus is on strengthening health-related public policies. This includes strategies related to strengthening vaccination, growth monitoring and IECD, undertaking newborn care and IYCF programmes in communities, and expanding the child health and nutrition surveillance system. These strategies will work toward sustaining MDG4 achievements. Other important Government policies in the health sector that are likely to directly or indirectly affect consolidation of MDG4 gains include introducing and strengthening universal

Figure 11: Immunization Coverage, 2009



undertaken in late 2005 and early 2006, and case-based surveillance has been expanded to include serological confirmation. No cases of measles were reported in Maldives in 2009²², after several outbreaks in the early post-tsunami reconstruction period, when crowded temporary shelter camps increased susceptibility to the spread of disease. Preliminary results of the DHS 2009 showing overall vaccine coverage are illustrated below in figure 11.

health insurance, building evidence-based decision-making within the system, developing quality assurance in the system, and enhancing emergency response.

Challenges: What Needs to Be Done

- Prioritize Neonatal Care and Child malnutrition

²¹ Measles is the leading vaccine-preventable cause of death worldwide, killing an estimated 480,000 children annually.
²² WHO/SEARO PowerPoint presentation, "Measles Surveillance in the South East Asia Region 2009," Global Measles Management Meeting, 16 October 2009.





To sustain achievements under MDG4, the immediate priorities must be to provide interventions that reduce neonatal mortality as well as tackle under-5 malnutrition. Improvements in child mortality without any substantial improvements in the child nutrition status can create a difficult situation. Improving neonatal care, however, is technology- and resource-intensive and may prove difficult, especially in smaller and remote islands.

■ **Build a Competent, Professional Maldivian Health Service Workforce**

An acute need exists to promote the health and well-being of children and is a top priority of the Government, but preventative health programmes have been weakened by constraints faced because of limited human Maldivian resources capacities in public health. Training of local professionals, paramedical, technical and support staff in the health and family sector represents a pressing need. Highly paid expatriate staff in Maldives tends to be health professionals; more than 80 percent of doctors and 60 percent of nurses who work in the country are foreign-recruited. Reducing the expatriate health workforce may provide job opportunities for many Maldivians as well as slow the outflow of foreign currency from the country.

■ **Ensure Access to Affordable, Quality Health Services for All Maldivians**

The most significant issues in the health sector are the quality and continuity of care, which cannot be maintained with a large number of expatriate staff changing almost every year. Given the high turnover of expatriates and the resultant unsustainable care at health facilities, public confidence in the health service is low. Priority must be given to areas where there currently exists no local expertise and where it is difficult to obtain even expatriate workers.

■ **Reduce Data Discrepancies**

Most information on child mortality is from the vital registration system; this system, however, needs to

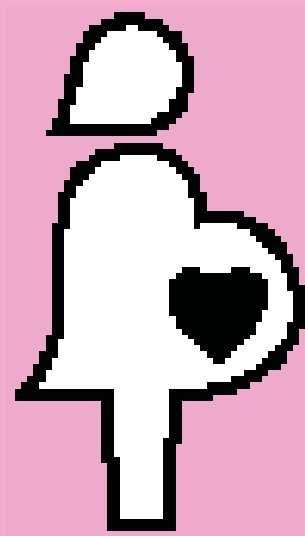
be validated for consistency and accuracy.

■ **Strengthen Monitoring of Vaccine-Preventable Diseases**

It is essential to sustain the high level of immunization rates in the country, which contributes to the reduction of child mortality. Monitoring and surveillance of EPI diseases should be strengthened and up-to-date external assessments of the EPI programme conducted to ensure an impartial review that guides the programme's future direction.

MDG4 Conclusion

While there has been progress in reducing child mortality rates in Maldives, it is important to view this against progress in inter-related indicators such as immunization, nutrition and access to health services to obtain an overall perspective on the state of child health in the country. Despite fluctuations in child mortality, however, it can be expected that Maldives will sustain its achievements of MDG4.



Goal Five

Improve Maternal Health

Target 5A

Reduce by Three-Quarters, Between 1990 and 2015, the Maternal Mortality Ratio

Target 5B

Achieve, by 2015, Universal Access to Reproductive Health





Goal 5: Improve maternal health

Target 5A: reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio

Table 10: Indicators for target 5A

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
5.1. Maternal mortality ratio (per 100,000 births)	259 (1997)	72	46	82	125; achieved*
5.2. Proportion of births attended by skilled health personnel	N/A	85 (2004)	69 (2006)	98 (2008)	Achieved

* See footnote 27.

Situation Analysis

By 2007, Maldives had already reduced the MMR to 46 per 100,000 live births from nearly 259 in 1997, when maternal death audits were introduced²³ for the first time. The fundamental reason for this decline was due to the dispersion of obstetric and other specialist health services at atoll level. This allowed wider access to skilled attendants (doctors and nurses) and also trained birth attendants and health workers for delivery as well as enhanced emergency procedures in the case of complications, although issues of accessibility to essential obstetric care and quality of care, especially at the very peripheral level, remain to be addressed. Thus, MDG5 has been achieved or nearly achieved, even as overall MMR remains high. With the fall in the number of maternal deaths, previously dominated direct causes of hemorrhage and obstructed labour declined over the last few years.

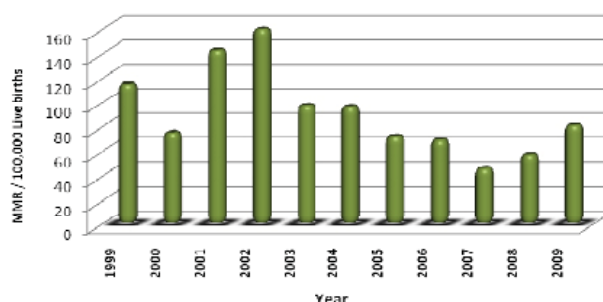
The MMR figure remains highly volatile. So caution must be used in interpreting data, particularly on an annual basis. For example, while the MMR was set

at 46 in 2007, it rose to 57 per 100,000 live births in 2008, and to 82 in 2009. In a country with such a small

population, even a single maternal death has a large effect on the MMR.

Meanwhile, nearly all Maldivian women (99 percent)

Figure 12: Maternal mortality rate, 1999-2009



Source: Ministry of Health & Family

who had a live birth in the 5 years preceding the MDHS 2009 reported seeing a health professional

²³ Given the data available in 1990, the original baseline year, a baseline was set at 500 per 100,000 live births; hence, the official 2015 target of 125. However, the 2007 MDG Report noted that the baseline should be set from 1997, when more reliable data became available and the figure was 259.

²⁴ Reproductive Health Survey 2004.

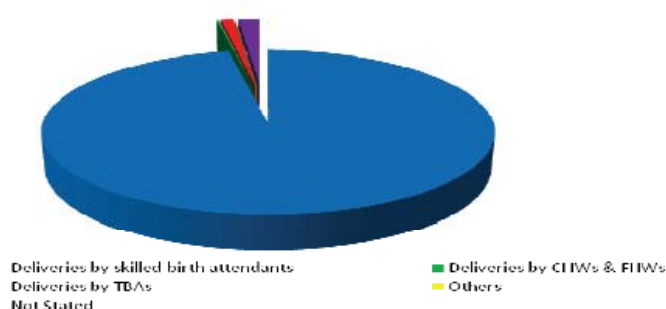


at least once for antenatal care for the most recent birth, providing important monitoring for the pregnancy and helping to reduce risks for the mother and infant during pregnancy and at delivery.

unwanted pregnancies also are strongly correlated with maternal mortality.

Relevant Government Strategies

Table 13: Percentage of deliveries attended by different types of birth attendants, 2009



Coverage is high among all women, regardless of background characteristics.

The DHS 2009 also showed that the percentage of deliveries by a health professional stands at 95.4 percent, up from 85 percent as recently as 2004²⁴. This includes deliveries conducted by gynaecologists, other doctors, nurses and Community Health Workers. The percentage of institutional deliveries likewise is high, at 95.1 percent. Again, differentials in delivery care were found to be minimal across background characteristics of the mother.

A woman's risk of pregnancy-related death is dependent on availability and quality of health care, female education, geographic accessibility and poverty. For example, late detection of high-risk pregnancies and delayed referral to higher levels of the health system, as well as non-compliance with referrals, may have led to some maternal deaths²⁵. Moreover, poverty manifests itself in many ways, including food insecurity; women's poor nutritional status, which as noted under MDG Target 1C is significant in Maldives, can leave them vulnerable to complications in pregnancy and childbirth. Women's poor nutritional status also has impacts on neonatal well-being (MDG4), another serious concern in the country. Early, frequent, narrowly spaced, late or

With regard to MDG5, as with MDG4, the Government has begun strengthening overall health-related public policies. Under this, programmes and projects are being planned and implemented to strengthen safe motherhood and reproductive health, address Adolescent Sexual Reproductive Health (ASRH), account for reproductive health cancers, address gender-based violence

and provide better access to reproductive health commodities. Other important Government policies in the health sector that may directly or indirectly affect further progress on MDG5 include introducing and strengthening universal health insurance, building evidence-based decision making within the health system, developing quality assurance within the system and enhancing emergency responses.

Challenges: What Needs to Be Done

- Build a Competent, Professional Maldivian Health Service Workforce

An acute need exists to promote the health and well-being of women and is a top priority of the Government but preventative health programmes have been weakened by constraints faced because of weakening of the public health system during the last decade, and limited local human resources capacities in public health. Training of local professionals, paramedical, technical and support staff in the health and family sector represents a pressing need. Highly paid expatriate staff in Maldives tends to be health professionals; more than 80 percent of doctors and 60 percent of nurses who work in the country are foreign-recruited. Reducing the expatriate health workforce will provide

job opportunities for many Maldivians as well as slow the outflow of foreign currency from the country.

In particular, although a number of islands have institutions in which it is safe to conduct deliveries, the skills of birth attendants on small peripheral islands must be improved. Ideally, nurse midwives could be posted at island level; however, perhaps an even bigger challenge will be to retain these staff once trained. If populations of small islands are relocated and consolidated, this could create a better levy for investment in required equipment and other facilities.

■ Ensure Access to Affordable, Quality Health Services for All Maldivians

Issues of accessibility to essential obstetric care, especially at the very peripheral level, remain significant; the recent provision of speedboats to all peripheral hospitals is expected to help further reduce maternal mortality by improving such access and supporting preventive health care.

Likewise, as under MDG4, quality and continuity of care, which cannot be maintained with a large number of expatriate staff changing almost every year, remain problematic. Priority must be given to areas where there exists no local expertise and where it is difficult to obtain even expatriate workers. Proper implementation of outreach obstetric care and evacuation are expected to help to ensure timely detection of high-risk pregnancies and actions to address these.

■ Expand Research and More Accurately Measure MMR

Because of the high variability of MMR in Maldives, as noted in the analysis, it would be more prudent to publish a moving average of this indicator and to check for data consistency. Examination of five-year averages rather than annual reporting is advisable. Extensive research is required in the area of maternal morbidity as a key factor to reduce maternal mortality. An increased focus on adolescent reproductive health needs also is crucial for reducing unwanted

pregnancies which leads to maternal morbidity and mortality. In addition, assessment of “near-miss” cases of maternal mortality needs to be conducted, by identifying such cases with proper criteria to facilitate appropriate interventions and actions.

Target 5B: achieve, by 2015, universal access to reproductive health

Table 11: Indicators for target 5B

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)
5.3. Contraceptive prevalence rate (All methods)	42% (1999)	39% (2004)	N/A	0.35
Contraceptive prevalence rate (modern methods)	33% (1999)	34% (2004)	N/A	0.27
Contraceptive prevalence rate (modern temporary methods)	23% (1999)	27% (2004)	N/A	0.22
Contraceptive use among married women 15-49 years old, condom	6% (1999)	9% (2004)	N/A	0.09
5.4. Adolescent birth rate	N/A	N/A	N/A	0.93 / 1000 pop (2008)
5.5. Antenatal care coverage (at least one visit)	89% (1999)	100% (2004)	93.4 (2007)	0.997
Male'5 Antenatal care coverage (at least four visits)	65% (1999)	91% (2004)		0.85
Male'	N/A	N/A	N/A	0.796
Atolls	N/A	N/A	N/A	0.875

Situation Analysis

Reproductive health services in the country have increased over the past decade, also mainly because of improved accessibility through the expansion of health facilities in the atolls. The DHS 2009 found a Total Fertility Rate (TFR) of 2.5 children per woman for the three-year period preceding the survey, with a crude birth rate of 25 births per 1,000 people. Among rural women, the TFR is slightly higher than for urban women (2.8 vs. 2.1), and fertility peaks slightly earlier. Meanwhile, other MDG indicators related to maternal health, such as adolescent birth rates and the unmet demand for family planning, need to be substantially improved and updated.

Despite Government efforts to promote the use of contraceptives, such use has declined. Only 34.7 percent of married women were using contraceptives in 2009²⁶, not a significant drop during a 10 year period from 42 percent in 1999. Of these, some 27 percent used a modern method, particularly female sterilization or male condoms, and 8 percent used



²⁶ For analytical purposes, contraceptive methods are grouped into two categories: modern and traditional methods. Modern methods include female sterilization, male sterilization, the pill, IUD, injectables, implants, and male condoms. Traditional methods include periodic abstinence or rhythm, withdrawal, and folk methods.



traditional methods.

In much of the world, contraceptive prevalence rises with increasing education and increasing wealth, and is higher among urban women than among rural women. Women in Maldives, however, demonstrated contraceptive use behaviour that was quite different from these commonly occurring patterns: Contraceptive prevalence in Maldives decreases with increasing education, with use of modern methods declining from 36 percent among women with no education to 21 percent among women with more than secondary education. Much of the differential was found to be due to the higher reliance on female sterilization among women with no education. Also unlike many other countries, the differences in contraceptive prevalence by wealth status or urban-rural residence were not substantial²⁷.

The percentage of women seeking antenatal care (ANC) can be considered one of the highest in the region since, as also discussed under MDG Target 5A, almost all pregnant women in the country had at least one ANC visit during pregnancy. Women having four or more ANC visits totaled 93.2 percent, according to the Micronutrient Survey of 2007. With regard to fertility preferences, 43 percent of married women want to have a child sometime in the future; of these, 18 percent want a child within two years. Overall, 48 percent of married women do not want any more children, including 11 percent who are sterilized²⁸.

The unmet need for family planning has declined from a high of 37 percent in 2004 (Reproductive Health Survey 2004) to 28 percent in 2009 (DHS, 2009). Meanwhile, early pregnancy can have severe implications for the health and well-being of young girls. Vital registration data show a birth rate among women aged 15-19 years of 14 per 1,000 women among that age group. The Reproductive Health Survey (RHS) 2004 also had suggested that unwanted pregnancies among adolescents are increasing.

Relevant Government Strategies

See MDG Target 5A.

Challenges: What Needs to Be Done

■ Better Understand Negative Reproductive Health Trends

Further research and qualitative analysis should be undertaken to assess the reasons for contraceptive use decline and a seemingly high unmet need for contraceptives in order to provide stronger needs-based services. See also Challenges under MDG Target 5A.

MDG5 Conclusion

Continued progress on MDG5 will strongly influence efforts to further reduce child mortality (MDG4). Likewise, gender inequality is one of the social determinants at the heart of inequity in health, so progress in achieving MDG3 (promoting gender equality and women's empowerment) also will bring progress on MDG5, as will improvements in the nutritional status of women (MDG Target 1C).

Opportunities to reduce MMR further in Maldives must be assessed within the context of: (a) geographic remoteness and smallness of some islands, which can make it difficult to train and place medical specialists and facilities; (b) improved access to skilled care; (c) ensuring quality and extent of antenatal care available; and (d) high prevalence rates of anaemia and Vitamin A deficiency among women. Greater attention to improving sexual and reproductive health care and universal access to all its aspects are required to prevent unintended pregnancies and provide high-quality pregnancy and delivery care.

It is important to note that the proportion of Maldivian women aged 15-49 is expected to grow for the next 30 years, and hence the time for setting up wider adequate reproductive and maternal health facilities and services now is most opportune.



Goal Six

Combat HIV and AIDS,
Malaria and Other Diseases

Target 6A

Have Halted, by 2015, and Begun to Reverse the Spread of HIV/AIDS

Target 6B

Achieve, by 2010, Universal Access to Treatment for HIV/AIDS For All Who Need It

Target 6C

Have Halted, by 2015, and Begun to Reverse the Incidence of Malaria
and Other Major Diseases





Goal 6: Combat HIV/AIDS, malaria and other diseases

Target 6A: have halted, by 2015, and begun to reverse the spread of HIV/AIDS

Target 6B: achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it

among Maldivians have been reported through the end of 2009, all contracted through a heterosexual route of transmission. Of these cases, 10 were among fishermen, two were spouses of these fishermen, and two were resort workers; 12 were men and 2 were women. Currently three Maldivians

Table 12: Indicators for target 6A and 6B

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)
Target 6A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS				
6.1. HIV prevalence among population aged 15-24 years	13 cases till 2003	<0.01	<0.01	<0.01
6.2. Condom use at last high-risk sex	12% (2004)	12% (2004)	N/A	N/A
6.3. Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS	97% (2004)	97% (2004)	N/A	N/A
6.4. Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years	N/A	N/A	N/A	N/A
Target 6B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it				
6.5. Proportion of population with advanced HIV infection with access to antiretroviral drugs	N/A	N/A	N/A	37.5

Situation Analysis

Maldives has long remained a low-prevalence country for HIV/AIDS. The first HIV screening in the country was conducted in 1991, and 14 HIV cases

are living with HIV/AIDS, of which two are on anti-retroviral therapy. All infected persons have access to antiretroviral drugs, which are provided free of cost by the Government.



The challenge, however, is to ensure that Maldives remains a low-prevalence country because of increasing high-risk behaviours and at-risk populations. All this could contribute to a potential HIV epidemic in Maldives, calling for prioritization of a proactive national response based on new evidence.

The 2008 Biological and Behavioural Survey (BBS) on HIV/AIDS among most-at-risk populations indicated that the risk of HIV and other Sexually Transmitted Infections (STIs) is now significant because of unsafe practices such as unprotected sex among all high-risk groups and young people, as well as needle sharing among intravenous drug users. The study also showed low condom use during sex with multiple partners and high overlap among members of different at-risk populations, as well as multiple risk behaviours in these same populations.

In addition, significant risks exist because of the large numbers of expatriates in the workforce and from highly mobile populations. Thus far, HIV screening is mandatory for all expatriate workers in the country; 257 HIV-positive expatriate workers have been found and were not permitted to stay in the country.

Numerous findings of the BBS 2008 are alarming. Nearly all (98 percent) of FSW in Addu, and 88 percent in Male', reported unsafe sex with a client in the 7 days prior to the survey. Some 91 percent of FSW clients were either married or had a boyfriend. A total of 100 percent and 80 percent of FSW also reported unsafe sex with a regular partner in the previous 7 days, indicating a clear potential pathway for HIV into sexual networks in which monetary exchange plays a role. Nearly 4 in 10 partners of FSW injected drugs as well.

MSM in Addu and Male' used condoms consistently in 21 percent and 36 percent of their encounters with men, and in only 2 percent and 17 percent of their sexual encounters with women. IDUs, similar to MSM, also have a wide-ranging sexual network. In Addu and Male', 97 percent and 90 percent of IDUs had had sex in the 12 months prior to the survey; 65 percent in Addu and 74 percent had a regular sex partner

(of whom only 1 percent and 2 percent respectively also were injecting). In addition, 54 percent in Addu and 55 percent in Male' had a non-regular partner. Critically, 59 percent of IDUs reported unsafe sex in the previous 12 months.

The mean age of debut of drug use of current IDUs was 16 in Male' and 17 in Addu; in both locations, 22 was the median age at which the shifted to injecting drugs had occurred. Nearly one-third (31 percent) of IDUs in Male' and 23 percent in Addu reported sharing an unsterilized needle at the last time of injection. Cleaning of needles occurred, but often using inappropriate and unsafe techniques²⁹. In all, these challenges present a cogent opportunity for action – if not addressed, they are likely to lead to a rapid growth of HIV, imperiling efforts on MDG6.

The fact that some 97 percent of youth have knowledge about HIV provides a foundation to build on, but this knowledge is not translated into practice, as is evidenced by low risk perceptions for HIV and consequently risky behavior. Unmarried youth do not have access to family planning information although there is recent evidence of increased sexual activity among adolescents: the BBS 2008 showed a median of five sex partners in the past year among surveyed youth. Traditional values and a closely knit society also give rise to considerable stigma against persons infected with HIV, as well as those belonging to the most-at-risk populations, posing an additional challenge.

Relevant Government Strategies

The main strategies related to this MDG are focused on maintenance of the low prevalence rate of HIV/AIDS, as well as simultaneous reduction of the high risk of transmission. In the SAP, under the policy of strengthening health promotion, protection and advocacy for healthy public policies, a strategy has been specified to strengthen programmes for prevention and control of HIV, TB and other communicable diseases and to address emerging diseases related to climate change, through integrated vector management and improved

entomological surveillance as well as an integrated disease surveillance system. In addition, the Government's key pledge to prevent narcotics abuse and trafficking, and policies and strategies specified in SAP to this end, will aid in the reduction of HIV transmission through IDUs. In addition to the existing six Voluntary Counseling and Testing (VCT) Centres, two more VCTs have recently been established, and a methadone substitution project is being piloted for IDUs.

Challenges: What Needs to Be Done

Strengthen Outreach and Surveillance

To address drivers of the spread of HIV/AIDS will require scaling up of services and targeted interventions, but numerous hurdles remain to be met. It is imperative to strengthen the surveillance mechanism and to widen awareness campaigns on HIV/AIDS, so that current high levels of knowledge are put into practice. In particular, an urgent need exists to expand outreach programmes for high-risk groups as well as the general population in all islands, promoting safe sex as an integral part of health care and the use of scaled-up VCT services. A full package of HIV prevention outreach services should be designed, with NGO participation in such services encouraged.

To strengthen monitoring and evaluation, a size estimation of most-at-risk populations, together with further social mapping of risky behaviours, should be carried out. Based on the outcomes of the BBS 2008, building information and empirical evidence to analyze condom use, especially among youth and other high-risk groups, requires prioritization. Overcoming of cultural and religious barriers to condom promotion, including expansion of family planning services for adolescents, will be necessary. Absence of a comprehensive harm reduction programme for IDUs leads to inefficiency in providing quality services. All this will require significant advocacy among policymakers and religious leaders alike, to more fully discuss BBS findings as well as issues of sex work and IDUs.

Develop NGO Capacities and Undertake Legislative Reform

Public-private partnerships in the health sector, including with NGOs, are expanding, in part to address the inherent issues of a remote and scattered population. However, the limited number of NGOs, and their lack of capacity to design, implement, monitor and evaluate HIV prevention interventions targeting most-at-risk and vulnerable populations, continues to be a major challenge. Capacity development of NGOs must be prioritized, along with legislative reform to overcome the current lack of alignment of policies and laws or regulations that constrain an enabling environment for effective implementation. Strengthening of a universal infection control strategy is required, as are clear guidelines and protocols for HIV testing mechanisms.

Target 6C: have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.

Table 13: Indicators for target 6C

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)	Target (2015)
6.6. Incidence and death rates associated with malaria	0	0	0	0	0, achieved
6.7. Proportion of children under 5 sleeping under insecticide-treated bednets	-	-	-	-	
6.8. Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs	N/A	N/A	N/A	N/A	
6.9. Incidence, prevalence and death rates associated with tuberculosis					
Incidence of TB (per 100,000 people)	129 (1990)	N/A	47	N/A	
Prevalence of TB (per 100,000 people)	143 (1990)	N/A	48	N/A	
Death rate from TB (per 100,000 people)	7 (1990)	N/A	4	N/A	
Total cases under treatment	73 (1999)	80	95	60 (2008)	
Sputum smear positive-incidence rate (per '000 sputum)	0.35 (1999)	0.26	0.21	0.19 (2008)	
Sputum smear negative-incidence rate (per '000 sputum)	0.25 (1999)	0.19	0.22	0.19 (2008)	
Sputum smear positive-prevalence rate (per '000 sputum)	0.16 (1999)	0.14	0.16	0.09 (2008)	
Sputum smear negative-prevalence rate (per '000 sputum)	0.12 (1999)	0.16	0.16	0.11 (2008)	
6.10. Proportion of tuberculosis cases detected and cured under directly observed treatment short course					
Detected (%)	107 (1995)	N/A	92	N/A	
Cured rate (%)	97	N/A	91 (2000)	N/A	

Situation Analysis

Maldives has had notable success in the control of communicable diseases. Malaria has been





³⁰ CCHDC 2009.

³¹ Ministry of Health and Family 2009.

³² High immunization coverage also has ensured low prevalence or elimination of most EPI-targeted diseases, while whooping cough and diphtheria have been eliminated. Leprosy is nearing elimination.

eradicated from the Maldives; no cases have been detected since 1984. With regard to TB, the total cases under treatment declined from more than 640 in 1991 to only 82 cases in 2003. The death rate associated with TB also declined from 34 cases in 1990 to only 1 case in 2004. The incidence per 1,000 people likewise has declined, from 0.55 in 1991 to 0.26 in 2003, and incidence has been fluctuating between 0.26 to 0.19 cases over the past six years, with 0.19 cases per 1,000 registered in 2008. Hence, this MDG6 target has already been achieved³⁰.

The major accomplishment under this goal is the absence of TB cases reported in the under-5 age group. This may be a result of the universal vaccine coverage programme detailed under the analysis for MDG4. At the same time, although TB has been controlled, it persists and has a high risk of spread in Male' because of increased migration, overcrowding and poor housing conditions. MDR-TB also has emerged in the country.

Moreover, the cure rate for TB patients reported in 2009 was 68 percent, largely due to an increase in the proportion of defaults. This represented the first time in more than a decade that such a low cure rate was reported in Maldives, with the rate usually standing at more than 90 percent³¹; further data analysis is needed to better understand the causes for such a sharp drop.

It is worth noting that in contrast to the success in controlling communicable diseases³², a new major challenge to public health is emerging with non-communicable diseases (NCD) linked to rapid growth, urbanization and changing lifestyles. NCDs, including cancer, cardiovascular diseases and chronic respiratory diseases often linked to smoking, have emerged as the main cause of mortality and morbidity in the country. Obesity, hypertension, diabetes and high cholesterol are all prevalent. All this is compounded by poor nutritional status, as examined under MDG Target 1C, with very limited consumption of fruits and vegetables.

In addition, dengue, chikungunya and scrub typhus,

as well as other rodent- and vector-related diseases, have emerged as key public health issues, requiring the development of more hygienic water and sanitation facilities.

Again, overcrowding in Male' particularly remains a challenge and poses an imminent threat to outbreaks. Thalassaemia, with a prevalence rate of 20 percent, and a growing number of renal diseases also are chronic illnesses of concern, while more attention is required to issues related to mental health and psychosocial well-being.

Relevant Government Strategies

As also noted under MDG Targets 6A. and 6B, in the SAP the Government is strengthening programmes for prevention and control of TB, HIV and other communicable diseases and addressing emerging diseases related to climate change. This is being done through integrated vector management and improved entomological surveillance as well as an integrated disease surveillance system.

Challenges: What Needs to Be Done

■ Step Up Disease Control Efforts

A major challenge is to sustain achievements in the control of communicable diseases over time. Since the incidence of diseases such as TB, for example, may be linked with increased prevalence of HIV/AIDS, efforts to control the spread of HIV, as well as other communicable disease control activities, will need to be acutely increased. A pressing need exists to modernize disease surveillance mechanisms and improve use of information on decision-making for disease control programmes. Other issues that will need to be addressed in the near future is a lack of legal framework to protect patients so that public health is protected and medico-legal issues are not mismanaged.

■ Urgently Develop Local Human Resources

Human resource development in disease prevention

is weak and must be prioritized. The short supply of skilled local health professionals at all levels of the health system, as also noted under MDGs 4 and 5, affects health care provision adversely. The skilled, community-based public health workers available on small islands are underutilized, in part because an emphasis on the development of curative care, and inadequately sensitized to the changes in the demographic and epidemiological profile.

■ Develop Special Interventions for Emerging Diseases

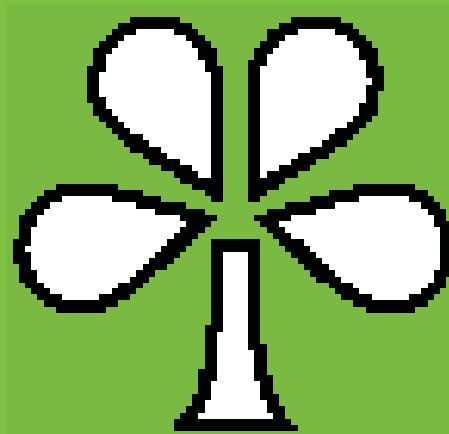
Given the rapidly rising numbers of cases of emerging and re-emerging diseases such as dengue, chikungunya and scrub typhus, an urgent need exists for special interventions targeted toward these new threats. In this regard, research and monitoring and evaluation all require strengthening. The threat of pandemic influenza also will need to be attended to much in advance of an outbreak.

Although most Maldivians have access to essential medicines, unavailability of essential medicines in small islands remains a major challenge. Operation of pharmacies often is not feasible in smaller islands, and special mechanisms are needed to provide essential drugs to smaller communities.

MDG6 Conclusion

Maldives cannot afford to be complacent on MDG6, and the Government has shown commitment and progress toward the targets of this Goal. Nonetheless, major challenges remain to be overcome both with regard to HIV/AIDS and other communicable diseases, and will require further sustained efforts.





Goal Seven

Ensure Environmental
Sustainability

Target 7A

Integrate the Principles of Sustainable Development into Country Policies and Programmes and Reverse the Loss of Environmental Resources

Target 7B

Reduce Biodiversity Loss, Achieving, by 2010, a Significant Reduction in the Rate of Loss

Target 7C

Halve, by 2015, the Proportion of People Without Sustainable Access to Safe Drinking Water and Basic Sanitation

Target 7D

By 2020, to Have Achieved a Significant Improvement in the Lives of at Least 100 Million Slum Dwellers





Goal 7: Ensure environmental sustainability

Target 7A: integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Target 7B: reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss

coral island country where more than 80 percent of the land is less than 1.5 meters above sea level, Maldives is one of the most vulnerable nations on earth to climate change. Because of the small size of the islands, no Maldivian lives more than 1 kilometers from the shorelines. A projected rise in sea levels literally threatens the country's existence.

Table 14: Indicators for targets 7A and 7B

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)
Target 7A: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources				
7.1. Proportion of land area covered by forest	3% (1990)	0.03	N/A	N/A
7.2. CO2 emissions, total, per capita and per \$1 GDP (PPP)				
Total	154 (1990)	678	869 (2006)	N/A
per capita	0.7141 (1990)	2.2971	2.9 (2006)	N/A
per \$1 GDP	.4325 (1995)	0.5749	N/A	N/A
7.3. Consumption of ozone-depleting substances	4.5 (1990)	2.7	4.6	N/A
Target 7B: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss				
7.4. Proportion of fish stocks within safe biological limits	N/A	N/A	N/A	N/A
7.5. Proportion of total water resources used	N/A	N/A	N/A	N/A
7.6. Proportion of terrestrial and marine areas protected	N/A	N/A	N/A	N/A
7.7. Proportion of species threatened with extinction	N/A	N/A	N/A	N/A

Biodiversity-based sectors contribute to nearly 71 percent of national employment, 49 percent of public revenues, 62 percent of foreign exchange, 98 percent of foreign exports and 89 percent of GDP³³. At the same time, although two of the most important sectors of the economy, fisheries and tourism, have developed eco-friendly practices, the projected rise in ocean temperatures because of climate change threatens the sustainability of the coral

Situation Analysis

Environmental sustainability is one of the most fundamental problems in Maldives, challenging the basic right to life. The country has considerable ground to cover to achieve MDG7. As a low-lying

reef ecosystem on which these sectors depend. The delicate shorelines and coral reefs likewise are subjected to negative impacts of necessary development activities such as reclamation and dredging.



³⁴ Induced by abnormal swell waves, storm surges, tsunamis, the southwest monsoon and heavy rainfall.
³⁵ Windstorms, droughts and earthquakes (in the southern atolls) also are considered major natural hazards. See also UNDP op. cit.
³⁶ Tsunami Global Lessons Learned Project Steering Committee, The Tsunami Legacy, 2009.

The fisheries industry is particularly vulnerable to climate change, since tuna are highly attuned to the biophysical conditions of the pelagic environment, including changes in sea surface temperature. In Maldives during El Nino years, catch rates of skipjack tuna are depressed, while catches of yellow fin tuna are elevated; the effect is reversed in La Nina years.

Maldives also is directly threatened by multiple natural disaster risks. A higher frequency of extreme events could cause severe damage to numerous islands, where flooding³⁴ and erosion are already regular and major challenges³⁵. Investments in critical infrastructure and the provision of essential services could be severely damaged, and risks to health and food security could be high. As noted in the Introduction to this Report, the disastrous Indian Ocean tsunami of December 2004 destroyed the nation's economic and social infrastructure, with losses exceeding 62 percent of GDP, compared to less than 3 percent of GDP in Thailand, Sri Lanka and India³⁶.

Energy dependence is a major source of economic vulnerability for islanders, and many remote and rural island communities have little or no access to modern and affordable energy services. Electricity generation is increasing rapidly and is one of the fastest-growing sectors, absorbing most of the oil imported to Maldives. Previous studies in the country, however, show that renewable energy technologies (RETs) such as wind, solar and biomass are commercially feasible options of energy supply. Based on these studies, as well as on availability of land and population, certain islands have been identified as potential sites for the generation of electricity using renewable sources.

Maldives also is classified as an Article 5 country of the Montreal Protocol and has been able to reduce Ozone Depleting Substances (ODS) in a timely fashion and completely phase out chloroflourocarbons (CFCs) in compliance with Protocol targets, the latter two years ahead of schedule. Maldives was able to reduce its CFC consumption from a baseline of 4.6 metric tons to 0

in 2008 and imposed a total import ban on CFCs in the same year. Even so, considerable achievements in eliminating CFCs have had little, if any, impact on HCFCs, which have been used as a refrigerant in Maldives for more than 30 years to service fishing, tourism and food processing equipment as well as air conditioning units; usage of imported HCFCs and their blends have continued to grow. Phasing out of HCFCs is not expected before 2040.

The Maldives' contribution to global greenhouse gas (GHG) emissions is negligible, even as rapid economic development has increased use of natural resources in the country. CO emissions have risen steadily since 2000, reaching almost 870,000 metric tons by 2006. Other indicators related to CO emissions, such as emissions per capita or per \$ GDP (PPP) also show similar trends.

Among animal groups that are internationally identified as threatened, that exist in Maldives, are populations of green turtles (*Chelonia mydas*) and hawksbill turtles (*Eretmochelys imbricata*); Maldives is perhaps the most important feeding area for hawksbill turtles in the Indian Ocean. It is also home to globally significant populations of whale sharks (*Rhincodon typus*), reef sharks and manta rays (*Manta birostris*), as well as at least 21 species of whale and dolphin. Other globally significant coral reef species include the Napoleon wrasse (*Cheilinus undulatus*), giant grouper (*Epinephelus lanceolatus*), giant clam (*Tridacna squamosa*) and black coral (*Antipatharia*).

In addition to coral reefs, the Maldivian atoll ecosystems are comprised of a variety of other habitats, including extensive shallow and deep lagoons, deep slopes, sandy beaches, and limited mangrove and seagrass areas. A total of 26 Marine Protected Areas (MPAs) have been gazetted across the country, and two islands are declared as protected areas.

Relevant Government Strategies

The new Constitution mandates the protection of the environment as a key human right, while the SAP

recognizes environment and climate change as a crosscutting development theme, particularly given its pivotal role in the economy. The new Government has given environmental issues top priority so that natural resources are used wisely and complex ecosystems are protected while promoting growth and development.

The Government announced in 2009 that Maldives will become a carbon-neutral country by 2020 and committed itself to develop and implement integrated energy programmes under a new energy sector policy. Efforts to increase energy efficiency and “go green” include setting up a 75MW wind farm to facilitate the use of renewable energy for Male’, the international airport and some resorts, which is expected to cut CO emissions by 25 percent.

Under the SAP, the primary national goals in this sector include establishing Maldives as a central player on global climate change; promoting the rights of citizens to be protected from climate change impacts; reducing GHG emissions; minimizing pollution for the development of healthy communities through proper waste management; and creating public awareness of environmental values to promote environment-friendly lifestyles.

A myriad of policies outlined in the SAP are focused on: (1) Strengthening the Environmental Impact Assessment (EIA) process, with an emphasis on EIA monitoring; (2) Conserving and sustainably using biological diversity and ensuring maximum ecosystem benefits; (3) Develop “resilient communities” that can address impacts of climate change, disaster mitigation and coastal protection, including overseeing the prevention of land erosion and assisting affected communities; (4) Strengthening adaptation and mitigation responses for beach erosion and developing a system to assist communities where livelihood and property are affected by beach erosion, (5) Ensuring management of solid waste to prevent impact on human health and environment through approaches that are economically viable and locally appropriate; (6) Ensuring protection of people and the

environment from hazardous waste and chemicals; (7) Improving air quality to safeguard human health; and (8) Enabling a fully functional, decentralized environmental governance system.

Challenges: What Needs to Be Done

■ Strengthen ‘Resilient Islands’

Almost all islands are exposed to the major hazards mentioned, but the predicted intensities and probability of occurrence vary significantly. In Maldives vulnerability is affected by exposure to environmental, natural, human and structural hazards alike, and each must be assessed for every island to determine how a “resilient island” policy should best be implemented in each case. A more integrated planning and management system is needed to ensure disaster risk reduction factors are integrated into local development plans and to better target investments in critical infrastructure and provision of essential services, moving toward a genuine prevention and mitigation approach based on local adaptability and capacities.

■ Further Prioritize Biodiversity Conservation

Biodiversity conservation is accorded only a lesser priority in economic policy formulation, financial planning and programme implementation. Public investment in conservation remains extremely low. Over the last five years, environmental spending has consistently accounted for less than one percent of all public sector budget allocations. Patterns of donor assistance present a similar picture.

The main opportunity to use economic instruments in support of biodiversity conservation in Maldives appears to lie in reforming or introducing charges, fees and duties so as to reward environmentally friendly behaviour and penalize sectors and industries for activities that lead to biodiversity loss or degradation. Two potential instruments could be 1) fees and charges for the use of biological resources or payments for ecosystem services; and 2) import tariffs.





A range of economic incentives targeted specifically at local-level users and managers of biological resources and ecosystems also have a great deal of potential for application in the country. In addition to instruments that aim to ensure compliance with environmental rules and regulations, these include: (1) Allocation of a portion of any funding raised to atoll, island or household level, to be used to directly finance local initiatives, either on a grant or credit basis; (2) Establishment of enterprise funds to enable the development of value-added or sustainable biodiversity businesses, and to support investments in environmentally friendly technologies, equipment and products; and (3) Establishment of targeted incentive and payment systems, which reward directly for the provision of environmental goods and services through conservation at local level, including direct participation and involvement in economic activities.

■ **Develop a Shoreline Management Plan and Construct Pilot Coastal Defences**

As noted in the Situation Analysis, because of the relatively small size of the country's islands, every Maldivian lives very close to the shoreline. A Shoreline Management Plan would identify management measures to provide the best approach to manage erosion and flooding in specific areas. Its main objective would be to assess the risk associated with coastal processes and help reduce these risks for people, infrastructure and the overall environment. Meanwhile, four islands already have been identified for constructing coastal defences, Gn.Fuamulaku, N.Holhudhoo, Ha.Hoarafushi and GDh.Gadhdhoo. The Government recently spent some US\$200,000 on temporary shore protection works at Ha. Hoarafushi. In 2007 it also carried out a US\$1.1-million beach fill/reclamation project at GDh. Gadhdhoo to prevent acute erosion and flooding, although a shore protection structure is now needed to prevent erosion of this fill.

■ **Undertake 'Soft' Engineering Research Projects**

"Soft" engineering methods are fast becoming the preferred option for coastal protection around the world. One of the biggest advantages of soft engineering is that it is environmentally friendly and easy to modify or remove, depending on shoreline response. While resort islands in Maldives have been successfully using soft engineering techniques, these are rarely used in the inhabited islands. It will be critical to carry out a research project on an inhabited island to study the feasibility of soft engineering shore protection methods and determine if soft engineering, or a combination of soft and "hard" engineering techniques, can be replicated in other inhabited islands.

■ **Establish Coastal Survey Units**

Coastal processes happen over a timescale of seconds to centuries. To have a good understanding of the processes that shape the shoreline, it is important to have long-term data. The Government has recently established small survey units in the north of the country and the extreme south. By establishing units in all regions, however, this would make it practical to periodically survey the shorelines of all inhabited island in each region. This would help to monitor changes to the shorelines in all islands and could, in turn, enable appropriate policy decisions based on accurate data

■ **Strengthen the Regulatory Framework and Knowledge in the Energy Sector**

The regulatory framework of Maldives lacks uniformity at national and local levels and does not include the renewable energy sector. Specific regulations must be developed for governing areas such as independent power generation, as well as the pricing and use of RETs. In addition, achieving integrated energy programmes should include, among other initiatives, comprehensive assessments of energy resources; current and projected patterns of energy use; and ways to enhance energy efficiency in the islands and promote the development and use of renewable energy, as

well as to advance clean energy technologies that are affordable and readily adaptable to Maldives' circumstances.

Target 7C: halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation

Table 15: Indicators for target 7C

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)
Target 7C: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation				
7.8. Proportion of population using an improved drinking water source, total	96 (1990)	N/A	83 (2006)	N/A
Proportion of population using an improved drinking water source, urban	100 (1990)	N/A	98 (2006)	N/A
Proportion of population using an improved drinking water source, rural	95 (1990)	N/A	76 (2006)	N/A
Proportion of population using an improved drinking water source, including rain water	94.8 (2006)	N/A	N/A	N/A
Proportion of population using an improved drinking water source, Excluding rain water	26.1 (2006)	N/A	N/A	N/A
7.9. Proportion of population using an improved sanitation facility, total	57 (1995)	N/A	59 (2006)	N/A
Proportion of population using an improved sanitation facility, urban	100 (1995)	N/A	100 (2006)	N/A
Proportion of population using an improved sanitation facility, rural	42 (1995)	N/A	42 (2006)	N/A

Situation Analysis

Overall, the proportion of the population using an improved water source has fallen sharply, from 96 percent in 1990 to 87 percent in 2000 and 83 percent in 2006. With the country's expanding population, rapid urbanization and improving lifestyle, the demand for water is fast increasing, even as finite freshwater resources are becoming polluted and depleted. The threat of climate change is only exacerbating the issue of water supply in Maldives, which is already challenged by high unit costs for infrastructure and diseconomies of scale.

Virtually no surface water sources exist, and the limited groundwater is in the form of shallow "lenses" that float over more dense saltwater that lies underneath. Aquifers are the principal source of water for island communities, which use groundwater

for all non-portable purposes. The volume and quality of the groundwater vary from island to island, depending on the size of the island, abstraction, net rainfall recharge, type and thickness of vegetation, soil compaction and other hydro-geological and human factors. Dependency on groundwater also increases during the dry period, which usually lasts for three months.

Because surface freshwater is lacking, people have traditionally relied on shallow groundwater wells for drinking water. However, in recent years a switch in favour of rainwater has occurred, especially in the atolls, where nearly two-thirds of the population lives; this behavioural change has been driven in part because of saltwater intrusion and pollution, including from poor sanitation, affecting groundwater sources. At the same time, more than 90 percent of atoll households did not use any method of treatment for the drinking water. In addition, groundwater contamination from leakages caused by improper construction of septic tanks is a significant problem in the atolls. Many toilets still discharge sewage and human waste directly into groundwater.

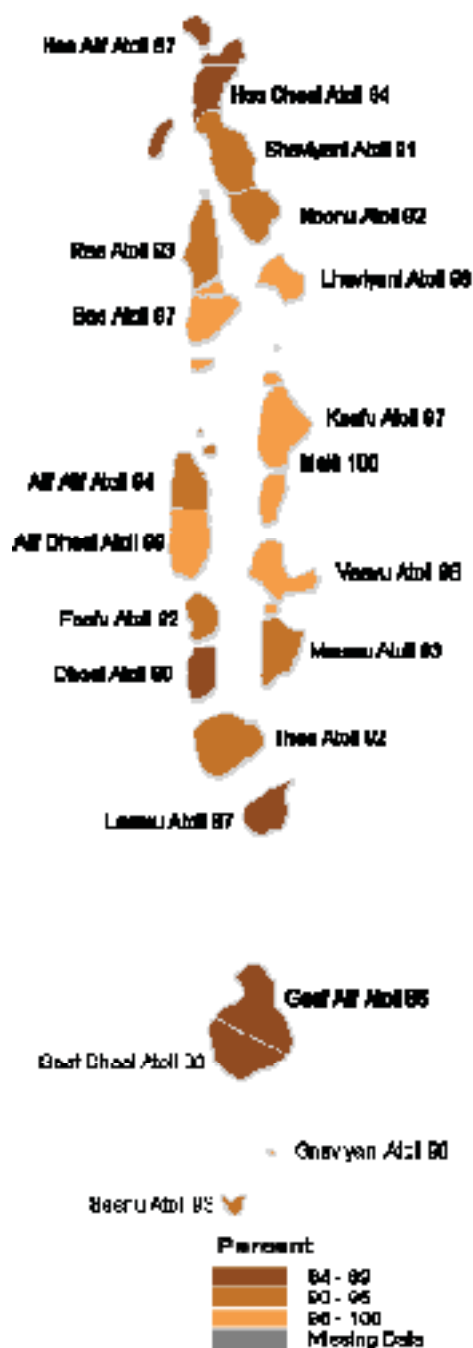
The decline in access to safe water is therefore much more dramatic for rural areas, where only 76 percent of residents had access to an improved water source





Figure 14: Proportion of population using improved drinking water and sanitation facilities, 2006

Proportion of population using improved drinking water, 2006



Proportion of people using improved sanitation facilities, 2006



in 2006 compared to nearly 100 percent in urban areas. In Male' itself, the entire population has been privileged to have access to piped desalinated water since 1994, although this comes at an environmental cost since desalination involves the heavy use of diesel oil.

Following the severe damage to water lenses by the 2004 tsunami³⁷, 50 of 194 inhabited islands also have been provided with small desalination plants originally intended for emergency water supply and presently used as supplementary water sources. Nonetheless, according to Ministry of Housing, Environment and Transport (MHTE) records of 2009, only 32 plants are functional, with five being installed, three nearing installment, seven requiring repair and maintenance and one not used at all. Desalination technology is proving far from sustainable in the country, including as a result of an acute lack of trained personnel³⁸.

Likewise, Maldives has made limited progress in the provision of improved sanitation facilities. While the Census 2006 suggested that the percentage of atoll households without access to toilet facilities had fallen from more than 60 percent in 1990 to six percent by 2006, data indicate very little or no gains in the proportion of people using an improved sanitation facility in rural areas. A total of 58 percent of rural households still do not use improved sanitation facilities; in urban areas, by contrast, nearly 100 percent of households do. All households in Male' are connected to a conventional gravity flow system with pumping stations to dispose of untreated sewage in the deep sea.

Solid waste management also is emerging as a key issue that threatens the ecosystem: the estimated quantity of waste is expected to jump by more than 30 percent between 2007 and 2012 alone, from 248,000 tons to 324,000 tons, with much of it being domestic waste. A little less than half of all waste is generated from Male'; on average, between 2002 and 2008 Male' municipality transferred nearly 110,000 tons of waste to Thilafushi every year for burning. In 83 percent of other islands, households collect and transfer waste to a designated area in the island.

Though island-level waste disposal sites exist, these are rarely used because of their remoteness from homes and a low level of environmental awareness. Random disposal of waste is quite common; nearly 25 percent of households throw waste into the bush or burn it in their living areas. After the tsunami, composting of waste has actually decreased.

Relevant Government Strategies

The Government prioritizes rainwater harvesting in the atolls, particularly given the high costs and level of technical expertise associated with desalination systems. However, regularly monitoring groundwater quality, acquiring safe and environmentally friendly technology for the water and sanitation sector, and improving the sanitation situation in the atolls also are emerging as important priorities.

The National Adaptation Plan of Action (NAPA) emphasizes the need to enhance adaptive capacity to manage climate change-related risks to water and resources, through increasing knowledge, strengthening regulatory frameworks and adaptation.

Meanwhile, the Government is encouraging public-private partnerships; recently established utility companies in the provinces have been given the responsibility to operate and maintain island water and sewerage services, but they face daunting initial challenges because of their limited technical capacities and financial return. As such, they require Government support until they become well-established and fully operational.

Challenges: What Needs to Be Done

- Improve the Legislative Framework and Funding

The legislative framework for the environment sector is weak, and a decentralized environmental governance system is lacking. The need to develop a mechanism to assess and evaluate implementation of environmental laws and regulations is urgent.



³⁷ It was estimated that because of the tsunami some 1,000 community rainwater tanks, 6,000 household rainwater tanks and 20,000 cubic metres of rainwater supplies were lost.
³⁸ DNP Maldives Four Years After the Tsunami, 2009



Lack of financial resources for implementation of programmes and strategies seriously constrains efforts in the sector.

■ Prioritize Atoll Sanitation

Because groundwater is still used in many islands for washing, bathing, cooking and even drinking, improving the sanitation situation in the atolls must be given an even higher priority. Given the critical need for improved infrastructure, focus should be given to designing and building island-wide sewerage systems, water supply networks and community water tanks on key islands. Adequate tertiary-level sewage treatment options should be evaluated.

■ Improve Coordination and Use of Existing Resources

Poor inter- and intra-sectoral commitment and coordination are compounded by poor integration of existing plans within the sector and poor aid coordination. A common platform for data sharing or information dissemination must be developed. In addition, utilization of existing resources must be made more efficient.

■ Widen Awareness on Environmentally Friendly Practices

An urgent need exists to sharply improve poor public awareness on environmentally friendly practices and must be tackled through the undertaking of wide campaigns to strengthen community awareness and participation. Mechanisms to monitor and enhance the quality of harvested and stored rainwater as a sustainable water source should be developed.

■ Boost the Role of the Private Sector

The Government, increasingly, takes on the role of facilitator in attracting investment in water and sewerage sector, rather than being the actual provider the services. The private sector can play an important role in building, managing and providing

sustainable services. Given that the private sector may be able to more effectively take advantage of new opportunities and respond to new demands; creation of an investor-friendly environment will be key.

Target 7D: by 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers

Situation Analysis

Although there are no permanent informal settlements or settlers in Maldives, two emerging housing-related issues deserve attention. First, tsunami-related shelter losses have yet to be fully offset because of delays in mobilizing construction materials, labour and finances in a number of concurrent locations. Nearly 50 percent of those displaced from their homes after December 2004 still live in temporary shelters.

Second, rapid urbanization and in-migration to Male' has resulted in severe congestion and pressure on housing and land. More than 103,000 people live in an area of barely 2 square kilometers. The last two decades have seen rapid growth in economic and social opportunities in the capital, and consequently, the population of Male' rose sharply, even as living land area remained limited. Roughly three people share each sleeping room³⁹. In part because many people must cohabit in a small area, social tensions including drug addiction, VAW, divorce, and high-risk sexual activity among adolescents are on the rise. Rapid urbanization, when combined with rising unemployment, exacerbates these problems immensely.

Overall, the tsunami destroyed or damaged more than 8,600 houses, of which 2,800 required complete reconstruction. Moreover, different solutions were found for individual islands, given that many were completely devastated. For example, inhabitants of M. Madifushi resettled in A.Dh. Maamigili and those of Dh. Gemendhoo moved to Dh. Kudahuvadhoo.

While in these two cases necessary infrastructure was already present, in some instances it was not:

As a replacement for the island of R. Kadholhudhoo the nearby uninhabited island of R. Dhuvaafaru was extended and improved to provide a more spacious, safer living environment – a major achievement. The island of Th. Vilufushi was completely rebuilt and enlarged to improve security against tidal swells. Thus, in some cases islands themselves first needed to be built or rebuilt, a vast and time-consuming undertaking. Only then could even nascent infrastructure development be started.

Housing repairs were started soon after the tsunami struck and gathered pace over time. Such repairs were required on 83 islands in 18 atolls. Organizing these repair activities involved enormous logistical tasks as all materials needed to be transported, and in many islands the harbours or jetties also had been seriously damaged. A major problem was that construction materials increased exponentially in price over time and the amounts agreed on originally were not sufficient to meet the material or reconstruction costs. From the graph below, it can be seen that some of those periods were very long.

In all, while the estimated cost per house was US\$19,500 in the National Reconstruction and Rehabilitation Programme (May 2005), bid prices since 2007 have soared. For the latest projects, the average price per house is US\$48,000 – a more than doubling of costs. Thus, many households have not had enough money to complete repairs.

Turning to reconstruction, by the end of 2007 some 584 new houses had been completed and handed over to their owners. During 2008 another 1,200 were completed, but by the end of that year about 45 percent of the number required were still unfinished; of these, construction had not yet started on 10 percent.

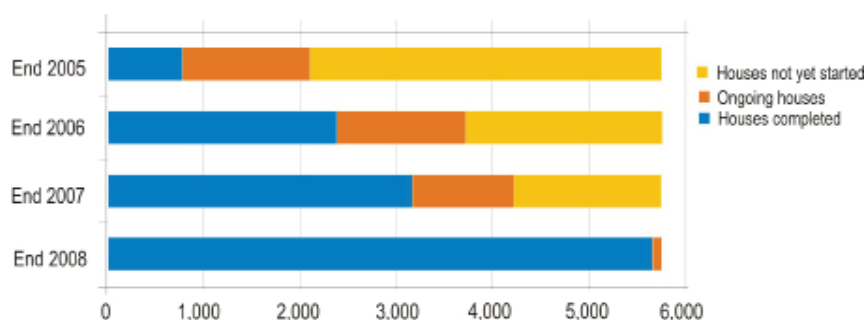
Meanwhile, for Male' some much-needed relief with regard to high population density may be coming from the development of Hulhumale', but the fast rate of urbanization may quickly undo some of the benefits of this new development.

Relevant Government Strategies

The Government is committed to provide housing by the end of 2010 for all remaining persons displaced by the tsunami. Overall, it intends to facilitate development of the real estate sector and the housing market, and to ensure housing access to vulnerable families through housing "safety nets." Addressing construction issues, including soaring construction costs, is to be prioritized.

In addition, the Government has pledged to foster regional development to relieve congestion in Male' through decentralization, development of regional commercial hubs and improved connectivity. It will align housing development with support to urban infrastructure development through improved planning at national and local levels, and will expand housing financing mechanisms. At the same time,

Figure 15: Tsunami housing repair status as of 2008

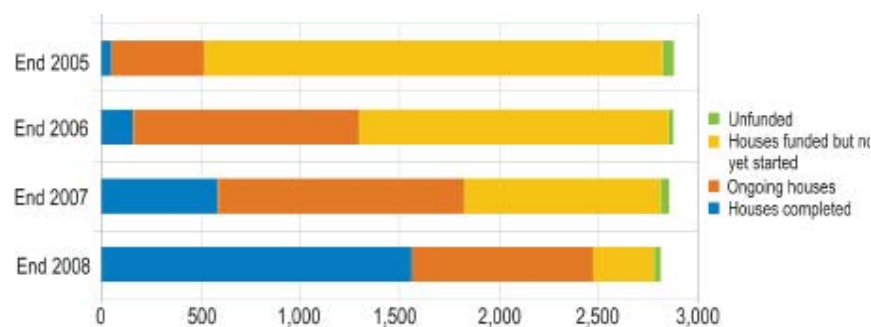


Source: School Statistics 2009, Ministry of Education





Figure 16: Tsunami housing construction status as of 2008



Source: School Statistics 2009, Ministry of Education

the Government will ensure that housing development integrates climate change adaptation technologies.

Challenges: What Needs to Be Done

■ Strengthen Regional Growth Centres

An immediate priority is to decentralize regional development – especially in the northern and southern atolls – to relieve some of the overcrowding on Male'. This is proving challenging so far, however, given that many young children and secondary school graduates do not have aspirations to return to their home islands to work in traditional sectors such as fisheries. Efforts to establish such regional growth centres must be redoubled and further improved.

■ Develop an Improved Regulatory Framework

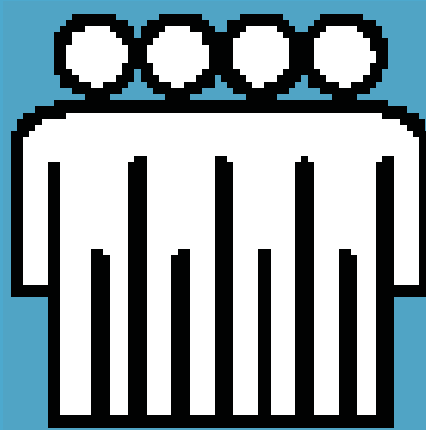
Development of a regulatory framework and incentives that can attract developers and investors can stimulate a real estate market, which has been nonexistent until now. In addition, a need exists to revise and consolidate regulations relating to the design and construction of buildings and to land use; these have been developed on an ad hoc basis and are administered by a number of authorities. As a result of this limited urban planning, conflicting land use in the midst of residential areas is common.

■ Stimulate Housing Finance

Inadequate housing finance has been available for housing construction and for home buyers through commercial banks and financial institutions. The Housing Development Finance Corporation (HDFC), established as a housing finance institution, has very limited coverage and limited financial resources.

MDG7 Conclusion

As noted in the Situation Analysis, Maldives must urgently undertake numerous initiatives on a number of environmental fronts to achieve MDG7. Moreover, sustained progress toward this Goal requires a truly global commitment, particularly on adaptation to climate change, and exogenous factors could limit Maldivian progress. However, MDG7 targets in many ways stand at the heart of the country's remaining challenges on all the MDGs; as such, the response to these daunting challenges represents a critical component of Maldives' future.



Goal Eight

Develop a Global Partnership
for Development

Target 8A

Develop Further an Open, Rule-Based, Predictable, Non-Discriminatory Trading and Financial System

Target 8B

Address the Special Needs of the Least Developed Countries

Target 8C

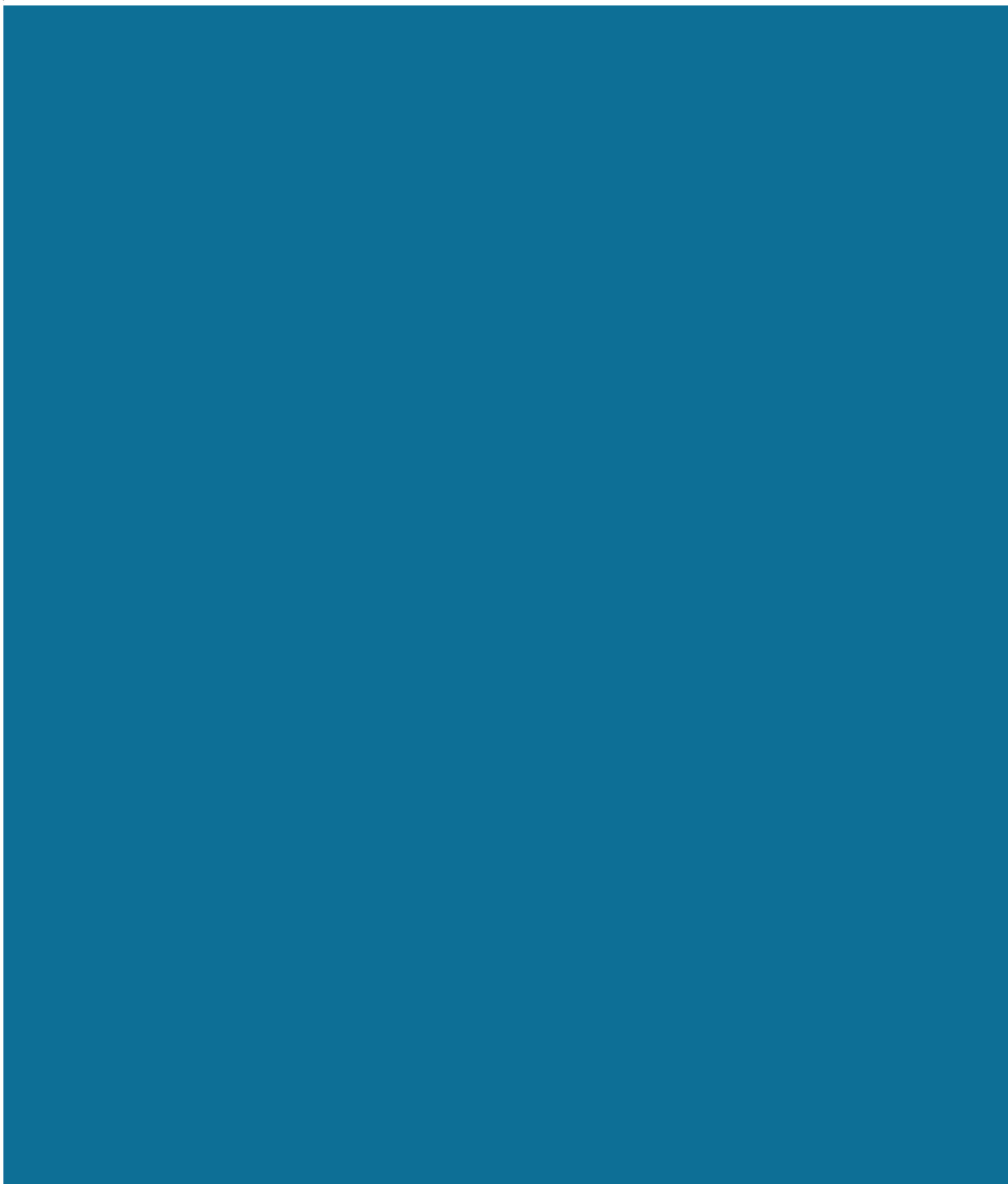
Address the Special Needs of Small Island Developing States

Target 8D

Deal Comprehensively With the Debt Problems of Developing Countries Through National and International Measures in Order to Make Debt Sustainable in the Long Term

Target 8F

In Cooperation With the Private Sector, Make Available the Benefits of New Technologies, Especially Information and Communications





Goal 8: Global partnership for development

Target 8A: develop further an open, rule-based, predictable, non-discriminatory trading and financial system

Situation Analysis

MDG8 calls on developed countries to relieve debt, increase aid and give developing countries fair access to their markets and technology. This is seen as creating the enabling environment for developing countries to achieve the first seven MDGs. Building a global partnership for the MDGs thus complements the overall responsibility of the governments of developing countries for aligning their budgets toward development strategies aimed at achieving the MDGs. Another responsibility borne by poor countries is to ensure rational and effective use of external resources to reduce poverty

For Maldives, the critical issue is that it is grappling with a dire macroeconomic situation that likewise imperils social and human development progress, all of which is important for Target 8A and other targets under this MDG. Imprudent fiscal expansion since the 2004 tsunami has resulted in a runaway budget deficit, with public debt now standing at 92 percent of GDP (see also Target 8D).

This has been exacerbated by the severe impact from the global financial, fuel and food crises, which

has caused tourism and exports to fall sharply short of expectations and external debt to soar. Such economic shocks are increasingly adversely affecting vulnerable populations, including women, children and youth.

The Government has taken serious macroeconomic reform measures to address the huge budget deficit, successfully beginning a stringent structural adjustment programme whose key element is to balance the budget by the end of 2012. Perhaps, as a result, economic forecasts for 2010 are favourable with a projected 3.4 percent. The main aims of the Government's fiscal reforms are to achieve a smaller, more efficient public service, institute a reliable source of tax revenues, improve institutional arrangements for fiscal policy, and reduce the role of the State in the economy, all while effectively protecting vulnerable groups.

The Government committed to reducing deficits for the medium term by initially refraining from monetizing the deficits, finally halting this in September 2009. Such measures are expected to restore macroeconomic and fiscal sustainability and address the impact of the global economic crisis. The 2010 budget was approved with a medium time horizon. The multi-year budget projects a reduction of the deficit to 14.8 percent in 2010 and 2.4 percent in 2011, and a surplus of 0.6 percent in 2012.



Revenue will be increased by broadening the tax base. Government revenue is expected to increase to 33 percent of GDP in 2010, 37 percent of GDP in 2011 and 36 percent of GDP in 2012. Currently the Government's revenue base consists largely of import duties, tourism tax receipts, dividends from state-owned enterprises and resort lease rentals.

The Government has initiated actions to introduce an ad-valorem tax on tourism and to accelerate implementation of the business profits tax. A goods-and-services tax to further augment revenue is expected to be introduced by early 2011. These new taxes will have to offset steep falls in import duties and profits transfers from State Owned Enterprises, stemming, respectively, from the fall in public expenditure and privatization. These revenue measures are expected to yield an increase of revenue of about 15 percent of GDP once their full impact is felt.

Expenditures also are being lowered through reducing the number of civil servants as well as domestically financed capital expenditures, removing Government subsidies to the national electric company, and better targeting other Government subsidies.

Relevant Government Strategies

The Government remains highly cognizant of the need to balance the imperatives imposed by financial constraints and those imposed by the need to fulfill human rights and socioeconomic justice and to nurture the democratic system. At the same time, the strategic question of how to finance the Government's ambitious democratic agenda under the SAP is proving central in an era of exceedingly tight resources, with success necessary to demonstrate that democratic governance delivers a better standard of living. The costs of failure are likely to be high: indeed, failure may result in a reversal of democracy, a scenario that would be disastrous for Maldives.

The International Financial Institutions, however,

appear confident that on-budget support can be provided within acceptable fiduciary risks. The IMF is providing a combined Stand-By Arrangement and External Shocks Facility of US\$90 million. The Asian Development Bank (ADB), meanwhile, has approved a US\$35 million budget support operation, with half to be disbursed in 2010 and a roughly equal amount planned for disbursement in 2011. World Bank has approved a single-tranche development policy credit of US\$12 million, which could be followed by another operation of similar value in mid-2010.

Parliament is vigorously supervising the Executive's handling of public finances. The Constitution instructs that Parliament must approve the annual budget and expenditure and that all expenditures, taxation, loans and provision of sovereign guarantees have to be pursuant to laws enacted by the Parliament. The absence of a majority for the Government in Parliament is thus a test for the balance of power in the emerging Maldivian democracy.

Challenges: What Needs to Be Done

■ Improve Public Finance Management (PFM)

Fiscal adjustment measures must be complemented by actions to improve public financial management (PFM) over the medium term. The Government is committed to adopting the recommendations of the recent IMF/World Bank Public Expenditure and Financial Accountability (PEFA) assessment. A Debt Management Performance Assessment (DeMPA)⁴⁰ exercise also was carried out in 2009. As part of monetary reforms being implemented by the Government, a single treasury account at the MMA has been introduced.

The Government is undertaking the transition to a new Public Accounting System (PAS) that will enhance budget execution, internal control, cash management, accounting and fiscal reporting. The PFM reforms provide assurances to donors to provide budget support, as witnessed by World Bank and ADB commitment to provide their first budget support operations this year. These reforms

will be complemented by reforms in taxation, as noted above. Data collection on these new taxes must be properly introduced into the current process for estimating National Accounts.

At the same time, the Cabinet has agreed to a detailed and comprehensive reform of Government procurement policy and practice. This reform aims to ensure the Government will receive best Value for Money (VFM) by enabling agencies being more efficient and reducing the costs of purchased goods and services. The approach agreed to will create centres of procurement expertise in few Ministries and one national centre in the Ministry of Finance. These centres will replace the procurement sections that currently exist in each Ministry and Department.

■ Stimulate Private Sector Development

Development of the private sector is essential to ensure the sustainability of the Government's fiscal adjustment programme and to address employment challenges that may emerge from civil service restructuring. Private sector development and engagement in economic activities must remain key aspects of the Government's economic reform agenda being pursued through its corporatization, privatization and public-private partnership initiatives. Immediate regulatory and technical capacity essential for private sector development will have to be built.

In particular, the 2008 global economic recession has significantly affected the planned private sector developments of tourism and the subsequent loss of Government revenue from delays in completion and operationalizing of tourist resorts. This major obstacle to raising investment finance for meeting development targets is particularly worrisome because of tourism's major contribution to GDP.

■ Modernize the Regulatory Framework

Overhauling and modernizing the legal and regulatory framework pertaining to the business environment is essential to streamline business start-up, to encourage investments in the private

sector, to increase investor confidence and the level of protection offered for businesses, and to strengthen the post-corporatization/-privatization regulatory environment. A number of priority articles of legislation need to be drafted and enacted to create the right kind of environment for businesses to flourish.

■ Address Financing Constraints

The underdeveloped nature of the financial sector and presence of only commercial banks (five banks in total) makes it extremely hard for Small and Medium Enterprises (SMEs) to flourish. It is, nonetheless, a sector that has the potential to reduce income and employment disparities in the atolls. To address financing constraints, specialized financial institutions or development banks are required to develop financing options available for SMEs and the private sector.

■ Invest in Trade-Facilitating Infrastructure and Systems

As is common in most Small Island Developing States (SIDS), Maldives is dependent on two major sectors, tourism and fisheries. Diversification of the key economic sectors and instituting better market linkages is essential to mitigate exogenous shocks, increase productivity and address unemployment. Substantial investments are required to overcome the trade bottlenecks currently faced as a result of the dispersed domestic market, thereby facilitating effective integration of SMEs into key economic sectors such as tourism, fisheries and agriculture as well as addressing income disparities between Male' and the atolls.

Investments in trade facilitating infrastructure and systems will be necessary to overcome obstacles to marketing and increase value addition in the agriculture sector. It is essential to establish proper and adequate regionally distributed storage facilities, provide decentralized agribusiness extension services and institute systems for gathering and disseminating market information,





not only to optimize market opportunities created by an integrated transport network, but also to ensure minimization of waste and a fair price for the producers, as well as to increase national food security.

Similarly, the fisheries sector requires support to increase export of fish and fishery products, Maldives' only sector for merchandise exports. In addition, technical assistance is required to identify support services are required for development of the fishing industry.

■ Deepen Diversification of Tourism

Integrating and linking the leading economic sector – tourism – with agriculture and fisheries likewise is essential, while new products must be introduced to reduce over dependency on high-end tourism and to further diversify this sector. However, to realize these deeper diversification objectives within the tourism industry and to enable employment opportunities for Maldivians, support and technical assistance will be required in a number of areas. For example, assistance is required to undertake a human resources needs assessment for the tourism sector and to conduct a nationwide awareness programmes on the benefits of tourism in atoll communities, particularly targeting women and youth.

In addition, city-style hotels must be developed in inhabited islands to facilitate the entrance of SMEs and other new players into the market. This calls for timely development of support infrastructure to allow transport of passengers to outer islands, as well as better supply of goods, materials and trade within the atolls. The decision to develop guest houses in the atolls is expected to directly benefit communities, while reviews of regulations are needed for expected new products.

To identify and address overall sector issues, policy decisions also need to be taken with firm technical guidance and in consultations with the industry and other stakeholders. This requires review of the

current master plan and planning for the Fourth Tourism Master Plan 2012-2016.

■ Prioritize Maldivian Cultural Heritage

Maldivian cultural aspects must be integrated into mainstream tourism, adding value and enhancing the “beach holiday” experience of visitors. Thus, identification of cultural resources of the country and management of natural and cultural heritage sites are urgently needed, not only to introduce cultural tourism but also to protect these sites for future generations and further develop them as attractions.

Target 8B: address the special needs of the least developed countries

Target 8C: address the special needs of small island developing states

Situation Analysis

While many countries will be able to implement their strategies for MDG achievement by investing from their own resources, others do not have the funds to meet all their needs. They have a resource gap, which is the difference between savings and investment as a percentage of GDP. MDG8, through building a global partnership for development, wants to help meet such gaps – for example, with the help of Official Development Assistance (ODA).

After several years of delays following the 2004 tsunami, Maldives is graduating from the Least Developed Country (LDC) status from January 2011, implying that the era of foreign assistance in the form of grants and concessionary loans may end. It also will lose some of the trade benefits it has enjoyed under World Trade Organization (WTO) rules.

Moreover, this transition will occur at a time when: (1) the country is facing unsustainably high twin deficits (both fiscal and current account) on the economic front and (2) the Government must introduce many socioeconomic programmes to fulfill its commitments to the people in promoting a fledgling democracy. Managing economic, social and

environmental challenges while fulfilling people's great expectations under adverse global conditions almost certainly will prove highly challenging.

ODA, which had been dwindling by 2004 on account of Maldives' high growth and impending graduation, nevertheless increased exponentially for two years in the aftermath of the tsunami disaster. Maldives received US\$152 million in grant assistance in 2005, as opposed to US\$7.6 million in 2004. Such transfers came from bilateral, multilateral, non-governmental as well as humanitarian sources, and were directed toward diverse areas of the recovery and reconstruction effort, ranging from cash handouts in the immediate aftermath to housing construction and entire island redevelopment.

With the winding down of reconstruction projects, however, grant assistance is once again on the decline, with budget projections forecasting grants totaling US\$44.2 million in 2009 and US\$23.7 million in 2010.

Relevant Government Strategies

The Government has prioritized establishing a smooth graduation strategy from LDC status, ensuring a coordinated approach across the various institutions involved, as well as involving the private sector. In all, Maldives' vulnerability to external shocks will continue to be emphasized. The concept of a smooth transition also is guiding partner approaches to providing enhanced support over the next two years, in recognition of the urgency of finding increased fiscal space in light of decreasing growth rates since 2006, high unemployment and rising socioeconomic imbalances.

With respect to aid, the Government committed to sign the Paris Declaration on Aid Effectiveness. In particular, the costing of the SAP is providing partners with a clear perspective on the volume of support required for new development priorities; continuing efforts to identify capacity gaps and other requirements are influencing the design of interventions based on national priorities and plans. This should provide a foundation for a more cohesive

approach among partners, including possible areas for budget support, programme approaches and common implementation arrangements.

Challenges: What Needs to Be Done

■ Shore Up Fisheries Exports and Further Diversify the Economy

From a trade perspective, it is important that Maldives continues to negotiate bilateral agreements for fisheries exports to compensate for the impact of WTO rules from January 2011. Diversification of the economy, including tourism sources, should be pursued, especially in East and South-East Asia. See also Challenges under Target 8A.

■ Combine Assistance with Social Responsibility

The importance given by the Government to dealing with the impact of climate change and proactively moving towards carbon neutrality, in conjunction with decentralization, provides a key opportunity to combine assistance with social responsibility, focusing on the needs of the poorest and most vulnerable islands and atolls.

Target 8D: deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Situation Analysis

As noted in the Situation Analysis for Target 8A, very high debt servicing contributes to Maldives' macroeconomic crisis. Given the limited level of domestic savings, and the growing demand for development as well private investment finance, the country has grown ever more dependent on finance from foreign sources.

Overall, external debt stock of the public sector has nearly tripled in recent years, growing from US\$ 331.8 million in 2004 to an estimated US\$ 969.2 million in 2009.





With the Government also borrowing heavily from the central bank to finance large deficits and the private sector looking for investment finance, in particular for tourism development, construction and trade, domestic credit ballooned over the post-tsunami years from Rf 6.9 billion (72 percent of GDP) at the end of 2005 to Rf 19.8 billion (123 percent of GDP) by the end of December 2008. Commercial banks' net foreign liabilities had soared from Rf 0.5 billion in 2005 to Rf 5.6 billion (35 percent of GDP) by the end of 2008⁴¹. However, these variables showed a moderating trend during 2009.

Relevant Government Strategies

See also Target 8A

Challenges: What Needs to Be Done

- Continue to Prioritize an Effective Debt Management Strategy

Development of an effective debt management strategy is imperative and a system of compiling information on the private sector's external debt is crucial. The Government has been working with the Commonwealth Secretariat in the area of public sector external debt recording. The latest Version of the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS 2000+) has been installed into the Ministry of Finance and Treasury. This system allows the Ministry to record, forecast, monitor and analyze Government debt commitments in depth. However, the lack of human resources has inhibited the most effective use of the information.

- Expand Foreign Investment

Despite the liberal foreign investment regime that was streamlined in the middle of the decade, only a total of 59 non-tourism foreign investments have been registered since 2000; not even all of these are currently in operation. Such investments must be further enhanced.

- See also Challenges under Target 8A.

Target 8F: in cooperation with the private sector, make available the benefits of new technologies, especially information and communications

Situation Analysis

ICT can play an important role in the fight against poverty and be an effective tool in helping countries to achieve the MDGs. It has the potential to create earnings opportunities and jobs, improve delivery of and access to health and education services, facilitate information sharing and knowledge creation, and increase the transparency, accountability and effectiveness of Government, business and non-profit organizations, all of which contributes to an enabling environment for development. By making ICT an integral part of their national development strategies, developing countries such as Maldives and their partners can more effectively address inequalities.

Maldives had already achieved a mobile teledensity rate of more than 140 percent by 2008⁴². This extensive mobile network is expected to provide opportunities for further developments in e-businesses, e-services and e-governance.

While the numbers of both fixed lines and mobile subscribers have grown since 1990, growth in fixed lines has been slow compared to that for mobiles, which has increased exponentially. The number of mobile subscribers grew from 8,000 in 2000 to more than 450,000 by 2009. Broadband Internet services also are increasing, albeit at a much slower pace, especially on the outer islands.

With nationwide mobile coverage achieved in 2006, the entire population now has access to mobile services. Residential telephone lines are currently not available throughout the country; currently, they exist in Male' and the more populated islands. Wireless technologies thus are proving the most practical and feasible way forward to extend broadband Internet to remaining islands.

A project to improve broadband connectivity in the outer atolls using WiMax technology was initiated

in October 2009. By March 2010 27 islands were covered, enabling broadband Internet services to inhabitants.

affordable and cost-oriented. Critically, it hopes to facilitate and engage the private sector to develop a local ICT industry, as well as to establish an

In an effort to further extend broadband internet to the atolls, a third-party part internet resale programme was launched in February 2009. Under this programme, community groups and co-ops of islands where internet service is not available commercially can purchase bandwidth from the main Internet Service Providers (ISPs) at a subsidized rate and resell Internet services to their customers in the atolls. The numbers of resellers are slowly growing, and currently several parties are registered to provide services to about 12 islands. Mobile broadband was made possible with the introduction of mobile broadband internet packages in late 2009; although initial data are sketchy, it appears the number of users is growing quickly.

Relevant Government Strategies

The new Government has identified access to appropriate science and technology as an important means to meet its development objectives, with priorities to be addressed in the area of ICT including in the media, in climate change adaptation and mitigation, especially for water supply and sanitation, and in renewable energy. ICT can play a vital role in linking dispersed communities and reducing the impact of the geographical isolation and physical separation that exists between the country's island communities. ICT also is expected to play a major role in achieving the economic, social, governance and human rights objectives set out in the SAP.

The Government has committed to establish a national infrastructure capable of providing comprehensive telecommunication and ICT services throughout the country, as well as to strengthen the regulatory framework in the telecom/ICT sector. It plans to set service prices that are non-discriminatory,

e-governance service platform for efficient delivery of information and online services. Lastly, it intends to foster, promote and sustain the development and coordination of science and technology relevant to overall needs and circumstances of the country

Challenges: What Needs to Be Done

- Continue to Expand Broadband Connectivity

The main challenge faced by the telecommunications and ICT sector today is providing expanded high-speed broadband connectivity throughout the nation. Lack of cable networks in most of the outer islands does not help; moreover, because of the geographic dispersal of the islands providing infrastructure is not cost-effective. Increased attention will need to be given to cooperation between the Government and service providers to enhance bandwidth with increased speeds and high-quality service to all Maldivians.

MDG8 Conclusion

Although considerable efforts are under way, MDG8 remains a daunting challenge just five years before the 2015 target date. Macroeconomic reform initiatives of the Government are designed to complement the fiscal reforms being implemented with technical advice from World Bank and IMF. Programmes envision bringing broad-based reform to how the economy functions in the provision of goods and

Table 16: Indicators for target 8F

Indicators for Monitoring Progress	Baseline	2005	2007	Current (2009)
8.14 Telephone lines per 100 population	3 (1990)	10	11	15 (2008)
8.15 Cellular subscribers per 100 population	0	69.3	102.61	140.7 (2008)
8.16 Internet users per 100 population	0.4 (2001)	1.5	4.1	6 (2008)





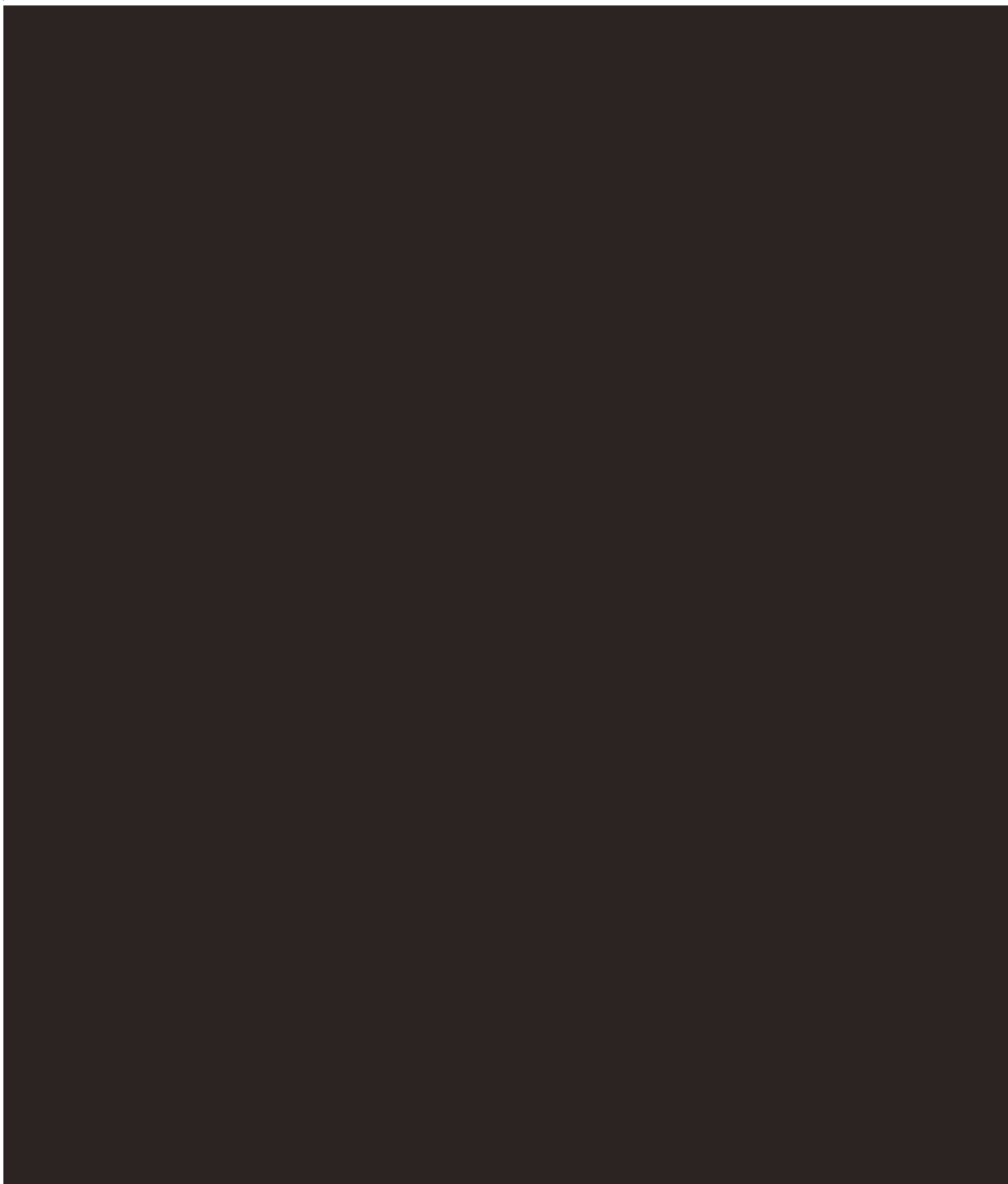
services to the public. Through these initiatives, the Government expects to increase the share of private sector involvement in the economy, transform the role of Government to a regulatory one, and create employment opportunities in the private sector, particularly in the atolls, through deeper economic diversification and corporatization/privatization of public services.

At the same time, the role of science and technology in Maldives' development is growing and gaining critical attention. Liberalization of the Internet and mobile sectors in 1993 and 2005 respectively has been pivotal role in accelerating the development of the telecommunications and ICT sector. Competition has brought about new and improved quality of services at more affordable prices. Questions of infrastructure in relation to connectivity and issues related to the dispersion of bandwidth across the nation require further attention.





Monitoring the MDGs in Maldives



Monitoring the MDGs in Maldives

Monitoring and evaluation of development plans and progress toward international and regional development goals remains mandate of the DNP. In this regard, the DNP periodically monitors and evaluates the progress of National Development Plans (NDPs), MDGs, SAARC Development Goals, Tsunami Recovery Impact Assessments (TRIAMS), and Brussels Plan of Action, among others.

Progress toward the MDGs is monitored using information gathered by the statistics division of the DNP and data from sectoral ministries such as the MoE and MoHF. Because Maldives has a decentralized statistical system, sectors collect data relevant to them and DNP collects statistics at national level, such as the Censuses, HIES, and VPAs. MoHF conducts MCS and DHS. MoE collects education statistics and other sectoral ministries collect data relevant to them.

Issues encountered during the preparation of the MDG Report 2010 are briefly outlined below.

Unavailability of Up-to-date Data on MDG Indicators

A lack of up-to-date data was the most challenging aspect of preparing the MDG 3rd Report. For the previous two reports, two important statistical surveys were available, namely the Censuses and the VPAs.

Different Definitions and Survey Methodology

Because data for particular indicators often come from different data surveys carried out at different points in time, even some available data could not be used for MDG monitoring purposes. Differences also exist in indicator definitions as well as data collection

methodology. Affected indicators in this regard particularly include , the proportion of population with sustainable access to improved water source and the proportion of population with sustainable access to improved sanitation.

Lack of Disaggregated Data

Some data available at national level are not available at island and atoll level. Many relevant data are not disaggregated by location, gender and different social groups, presenting challenges in identifying inequalities.

Need for Localizing Targets and Indicators

Some indicators, such as proportion of land area covered by forest are not relevant to Maldives and remain to be localized.

Need for Improved Coordination and Data Collection/Analysis Within Sectors

Data collection in sectors such as environment and employment need to be strengthened. A comprehensive data collection system that can be used by all agencies for their respective purposes can be encouraged by incorporation of indicators of various monitoring systems into existing data systems; standardization of routine data collection and analysis; and capacity building of sectors for collecting and analyzing the data. This would make monitoring and evaluation of both MDGs as well as other developmental goals more effective and efficient.

Recommendations

There is an urgent need for strengthening of overall data collection system by establishing a comprehensive data collection system that can be used by all agencies for their respective purposes. This could be encouraged by incorporation of indicators of various monitoring systems into existing data systems; standardization

of routine data collection and analysis; and capacity building of sectors for collecting and analyzing the data. This would make monitoring and evaluation of both MDGs as well as other developmental goals more effective and efficient.

MDG report conclusion

While significant achievements toward the MDGs and Maldives' status as an "MDG-plus" country indicate robust and improved national development, progress must be accelerated toward gender equality and women's empowerment (MDG3), ensuring environmental sustainability (MDG7) and developing a global partnership for development (MDG8), as well as toward persistently problematic indicators such as high under nutrition in young children. As part of the Government's continued emphasis on economic development

and social justice, gains made will need to be consolidated, while remaining gaps in certain indicators must be urgently addressed. Institutional and individual capacity development, as well as high-quality policy advice, will need to be prioritized. Then only can Maldives continue to remain a MDG plus country and meet all the MDGs by the target year of 2015.



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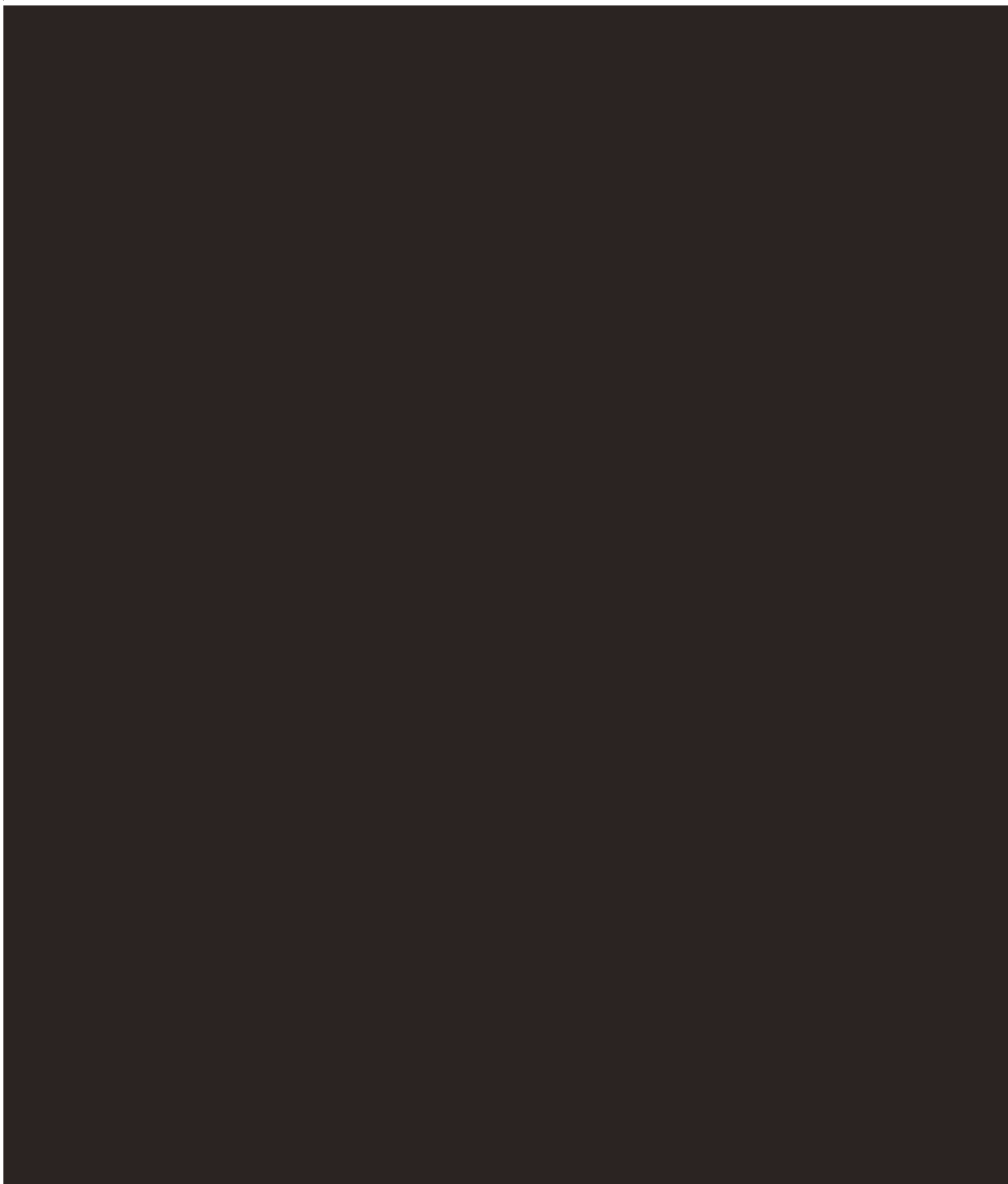
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Glossary of indicators



Goal 1: Eradicate extreme poverty and hunger

1. Proportion of population below US\$1 per day (1993 PPP values)

The percentage of the population living on less than \$1.08 a day at 1993 international prices. The \$1-a-day poverty line is compared to consumption or income per person and includes consumption from own production and income in kind. Because this poverty line has fixed purchasing power across countries or areas, the \$1-a-day poverty line is often called an "absolute poverty line." (Source: UNDG 2003)

2. Poverty gap ratio (incidence x depth of poverty)

The mean distance below the \$1 (1993 PPP US\$)-a-day poverty line, expressed as a percentage of the poverty line. The mean is taken over the entire population, counting the non-poor as having zero poverty gap. The measure reflects the depth of poverty as well as its incidence. (Source: Global HDR 2003)

3. Share of poorest quintile in national consumption

The share of consumption or, in some cases, income that accrues to the poorest 20 percent of the population. (Source: WDI 2005)

4. Prevalence of underweight children under 5 years

Prevalence of (moderately or severely) underweight children is the percentage of children under 5 years whose weight for age is less than minus two standard deviations from the median for the international reference population aged 0-59 months. The international reference population was formulated by the National Centre for Health Statistics as a reference for the United States and later adopted by the World Health Organization (WHO) for international use (often referred to as the NCHS/WHO reference population). (Source: UNDG 2003)

Prevalence of stunted children under 5 years

Prevalence of (moderately or severely) stunted children is the percentage of children under 5 years whose height for age is less than minus two standard deviations from the median for the international reference population aged 0-59 months. The international reference population was formulated by the National Centre for Health Statistics as a reference for the United States and later adopted by the World Health Organization (WHO) for international use (often referred to as the NCHS/WHO reference population).

5. Proportion of population below the food poverty line

The percentage of the population whose expenditure on food consumption is below a certain minimum.

Goal 2: Achieve universal primary education

6. Net enrolment ratio in primary education

The ratio of the number of children of official school age (as defined by the national education system) who are enrolled in primary school to the total population of children of official school age. Primary education provides children with basic reading, writing and mathematics skills, along with an elementary understanding of such subjects as history, geography, natural and social science, art and music. (Source: UNDG 2003)

7. Proportion of pupils starting Grade 1 who reach Grade 5

The survival rate to grade 5 is the percentage of a cohort of pupils enrolled in grade 1 of the primary level of education in a given school year who are expected to reach grade 5. (Source: UNDG 2003)

8. Literacy rate of 15- to 24-year-olds

The percentage of the population ages 15-24 who can both read and write with understanding a short, simple statement on everyday life, of total population in the same age group. The definition of literacy sometimes extends to basic arithmetic and other life skills. (Source: UNDG 2003)

Goal 3: Promote gender equality and empower women

9. Ratio of girls to boys in primary, secondary and tertiary education

The ratio of the number of female students enrolled at primary, secondary and tertiary levels in public and private schools to the number of male students. (Source: UNDG 2003)

10. Ratio of literate females to males (15- to 24-year-olds)

(Literacy Gender Parity Index) is the ratio of the female literacy rate to the male literacy rate for the age group 15-24. (Source: UNDG 2003)

11. Share of women in wage employment in the non-agricultural sector (%)

The ratio of the number of women employed in the non-agricultural sector to the total number of women employed.

12. Proportion of seats held by women in national, provincial and district representative bodies

The number of seats held by women, expressed as a percentage of all occupied seats.

Goal 4: Reduce child mortality

15. Under-5 mortality rate

The probability of dying between birth and exactly 5 years of age, expressed per 1,000 live births. (Source: GlobalHDR 2003)

16. Infant mortality rate

The probability of dying between birth and exactly 1 year of age, expressed per 1,000 live births. (Source: Global HDR 2003)

17. Proportion of 1-year-old children immunized against measles

The percentage of children under 1 year of age who have received at least one dose of measles vaccine. (Source: UNDG 2003)

Goal 5: Improve maternal health

18. Maternal mortality ratio

The annual number of deaths of women from pregnancy-related causes per 100,000 live births. (Source: Global HDR 2003)

19. Proportion of births attended by skilled health personnel

The percentage of deliveries attended by personnel (including doctors, nurses and midwives) trained to give the necessary care, supervision and advice to women during pregnancy, labour and the postpartum period, to conduct deliveries on their own, and to care for newborns. (Source: Global HDR 2003)

20. Reduce total fertility rate (births per woman) by 30% by 2020

(The reduction by 30% by 2020 of) the number of children that would be born to each woman if she were to live to the end of her child-bearing years and bear children at each age in accordance with prevailing age-specific fertility rates. (Source: Global HDR 2003)

21. Proportion of women receiving professional ante-natal (prenatal) care

The percentage of women attended at least once during pregnancy by skilled health personnel for reasons related to pregnancy. (Source: WDI 2005)

Goal 6: Combat HIV/AIDS, malaria and other diseases

22. HIV prevalence among blood donors

The percentage of blood donors whose blood samples test positive for HIV.

23. Condom use rate of the contraceptive prevalence rate

The number of women ages 15-49 in marital or consensual unions who are practicing contraception by using condoms as a proportion of all of women of the same age group in consensual unions who are practicing, or whose sexual partners are practicing, any form of contraception. (Source: UNDG 2003)

24. Percentage of population aged 15-49 with comprehensive correct knowledge of HIV/AIDS

The percentage of population aged 15-49 with comprehensive correct knowledge of HIV/AIDS is the share of women and men ages 15-49 who correctly identify the two major ways of preventing the sexual transmission of HIV (using condoms and limiting sex to one faithful, uninfected partner), who reject the two most common local misconceptions about HIV transmission, and who know that a healthy-looking person can transmit HIV.

25. Contraceptive prevalence rate

The percentage of women who are practicing, or whose sexual partners are practicing, any form of contraception. It is usually reported for women ages 15-49 in marital or consensual unions. (Source: UNDG 2003)

26. Proportion of blood samples screened for HIV/AIDS and STDs

The percentage of blood samples screened for HIV/AIDS and STDs.

27. Proportion of women's unmet needs for family planning met

This indicator is based on the contraceptive prevalence rate (CPR) and the level of unmet needs (LUN). Specifically, it is the ratio of the CPR to the sum of the CPR and the LUN. The Needs Being Met (NBM) thus assumes that all current users of contraception want to space or limit their births, and takes those users as a proportion of all women who say they want to space or limit their births. The met need for family planning can be considered as those currently married women who are using family planning methods. By implication, the unmet need is defined as those currently married women who do not want any more children or want to wait before having another child but are not using contraception.

28. Proportion of IV drug users in treatment by 2015

The percentage of intravenous drug users in treatment.

29. Prevalence and death rates associated with malaria

Prevalence of malaria is the number of cases of malaria per 100,000 people. Death rates associated with malaria are number of deaths caused by malaria per 100,000 people. (Source: UNDG 2003)

30. Proportion of population in malaria risk areas using effective malaria prevention and treatment measures (e.g., bednets)

Malaria prevention is measured as the percentage of children aged 0-59 months sleeping under insecticide-treated bednets. Malaria treatment among children is measured as the proportion of children aged 0-59 months who were ill with the fever in the two weeks before the survey and who received appropriate antimalarial drugs. (Source: UNDG 2003)

31. Prevalence and death rates associated with tuberculosis

Tuberculosis prevalence is the number of cases of tuberculosis per 100,000 people. Death rates associated with tuberculosis are deaths caused by tuberculosis per 100,000 people. A tuberculosis case is defined as a patient in whom tuberculosis has been bacteriologically confirmed or diagnosed by a clinician. (Source: UNDG 2003)

32. Proportion of tuberculosis cases detected and cured under DOTS

The tuberculosis detection rate is the percentage of estimated new infectious tuberculosis cases detected under the directly observed treatment, short course (DOTS) case detection and treatment strategy. The tuberculosis cure rate is the percentage of new, registered smear-positive (infectious) cases that were cured or in which a full course of DOTS was completed. A tuberculosis case is defined as a patient in whom tuberculosis has been bacteriologically confirmed or diagnosed by a clinician. (Source: UNDG 2003)

Goal 7: Ensure environmental sustainability

33. Proportion of land area covered by forest

Forest areas as a share of total land area, where land area is the total surface area of the country less the area covered by inland waters like major rivers and lakes. As defined in the Food and Agricultural Organization's (FAO) Global Forest Resources Assessment 2000, forest includes both natural forests and forest plantations. It refers to land with an existing or expected tree canopy of more than 10 percent and an area of more than 0.5 hectare where the trees should be able to reach a minimum height of 5 metres. Forests are identified both by the presence of trees and the absence of other land uses. Land from which forest has been cleared but that will be reforested in the foreseeable future is included. Excluded are stands of trees established primarily for agricultural production, such as fruit tree plantations. (Source: UNDG 2003)

34. Ratio of area protected to maintain biological diversity to surface area

The nationally protected area as a percentage of total surface area of a country. The generally accepted IUCN-World Conservation Union ((The International Union for the Conservation of Nature and Natural Resources) definition of a protected area is an area of land or sea dedicated to the protection and maintenance of biological diversity and of natural and associated cultural resources and managed through legal or other effective means. (Source: UNDG 2003)

35. Energy use (kg. oil equivalent) per US\$1,000 GDP (PPP)

Energy use (kilo gramme oil equivalent) per \$1,000 GDP (PPP) is commercial energy use measured in units of oil equivalent per \$1,000 of GDP converted from national currencies using purchasing power parity (PPP) conversion factors. (Source: UNDG 2003)

36. Carbon dioxide emissions (per capita) and consumption of ozone-depleting CFCs (ODP tonnes)

Carbon dioxide emissions per capita is the total amount of carbon dioxide emitted by a country as a consequence of human (production and consumption) activities, divided by the population of the country. In the global carbon dioxide emission estimates of the Carbon Dioxide Information Analysis Centre of Oak Ridge National Laboratory in the United States, the calculated country emissions of carbon dioxide include emissions from consumption of solid, liquid and gas fuels; cement production; and gas flaring. National reporting to the United Nations Framework Convention on Climate Change that follows the Intergovernmental Panel on Climate Change guidelines is based on national emission inventories and covers all sources of anthropogenic carbon dioxide emissions as well as carbon sinks (such as forests). Consumption of ozone-depleting chlorofluorocarbons (CFCs) in tonnes (ozone-depleting potential) is the sum of the consumption of the weighted tonnes of the individual substances in the group — metric tonnes of the individual substance (defined in the Montreal Protocol on Substances That Deplete the Ozone Layer) multiplied by its ozone-depleting potential. Ozone-depleting substances are any substance containing chlorine or bromine that destroys the stratospheric ozone layer. The stratospheric ozone absorbs most of the biologically damaging ultraviolet radiation. (Source: UNDG 2003)

37. Proportion of population using solid fuels

The proportion of the population that relies on biomass (wood, charcoal, crop residues and dung) and coal as the primary source of domestic energy for cooking and heating. (Source: UNDG 2003)

38. Proportion of population with sustainable access to an improved water source, urban and rural

The percentage of the population that use any of the following types of water supply for drinking: piped water, public tap, borehole or pump, protected well, protected spring or rainwater. Improved water sources do not include vendor-provided waters, bottled water, tanker trucks or unprotected wells and springs. (Source: UNDG 2003)

39. Proportion of population with access to improved sanitation, urban and rural

The percentage of the population with access to facilities that hygienically separate human excreta from human, animal and insect contact. Facilities such as sewers or septic tanks, pour-flush latrines and simple pit or ventilated improved pit latrines are assumed to be adequate, provided that they are not public, according to the World Health Organization (WHO) and United Nations Children's Fund (UNICEF) Global Water Supply and Sanitation Assessment 2000 Report. To be effective, facilities must be correctly constructed and properly maintained. (Source: UNDG 2003)

40. Proportion of households with access to secure tenure

The percentage of the urban population that lives in slums. In the absence of data on number of slum dwellers, the United Nations Human Settlements Programme (UN-HABITAT) produces estimates based on a definition of slums as agreed by the Expert Group Meeting on Urban Indicators in 2002. These indicators will be adjusted and the definitions of secure tenure and slums will be refined through future consultations with Expert Group Meeting participants and their related networks of professionals.

Secure tenure refers to households that own or are purchasing their homes, are renting privately or are in social housing or subtenancy. Households without secure tenure are defined as squatters (whether or not they pay rent), the homeless and households with no formal agreement.

A slum household is defined by UN-HABITAT as a group of individuals living under the same roof that lack one or more (in some cities, two or more) of the following conditions: security of tenure, structural quality and durability of dwellings, access to safe water, access to sanitation facilities and sufficient living area. (Source: UNDG 2003)

Goal 8: Develop a global partnership for development

41. Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation)

Official development assistance (ODA) comprises grants or loans to developing countries and territories on the Organization for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) list of aid recipients that are undertaken by the official sector with promotion of economic development and welfare as the main objective and at concessional financial terms (if a loan, having a grant element of at least 25 percent). Technical cooperation is included. Grants, loans and credits for military purposes are excluded. Also excluded are aid to more advanced developing and transition countries, as determined by the DAC. Bilateral official development assistance is from one country to another. Basic education comprises primary education, basic life skills for youth and adults and early childhood education. Primary health care includes basic health care, basic health infrastructure, basic nutrition, infectious disease control, health education and health personnel development. (For safe water and sanitation, see indicators 30 and 31). (Source: UNDG 2003)

42. Proportion of bilateral ODA of OECD/DAC donors that is untied

Official development assistance (ODA) comprises grants or loans to developing countries and territories on the Organization for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) list of aid recipients that are undertaken by the official sector with promotion of economic development and welfare as the main objective and at concessional financial terms (if a loan, having a grant element of at least 25 percent). Technical cooperation is included. Grants, loans and credits for military purposes are excluded. Also excluded are aid to more advanced developing and transition countries as determined by the DAC. Bilateral official development assistance is from one country to another. Untied bilateral official development assistance is assistance from country to country for which the associated goods and services may be fully and freely procured in substantially all countries. (Source: UNDG 2003)

43. ODA received as proportion of its GNI

Official development assistance (ODA) comprises grants or loans to developing countries and territories on the Organization for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) list of aid recipients that are undertaken by the official sector with promotion of economic development and welfare as the main objective and at concessional financial terms (if a loan, having a grant element of at least 25 percent). Technical cooperation is included. Grants, loans and credits for military purposes are excluded. Also excluded are aid to more advanced developing and transition countries as determined by the DAC. Bilateral official development assistance is from one country to another. Recipient countries' gross national income (GNI) at market prices is the sum of gross primary incomes receivable by resident institutional units and sectors. GNI at market prices was called gross national product (GNP) in the 1953 System of National Accounts. In contrast to gross domestic product (GDP), GNI is a concept of income (primary income) rather than value added. (Source: UNDG 2003)

44. Proportion of ODA provided to help build trade capacity

ODA directed to activities intended to enhance the ability of the recipient country to formulate and implement a trade development strategy and create an enabling environment for increasing the volume and value added of exports, diversifying export products and markets and increasing foreign investment to generate jobs and trade; stimulate trade by domestic firms and encourage investment in trade-oriented industries; or participate in and benefit from the institutions, negotiations and processes that shape national trade policy and the rules and practices of international commerce. (Source: HDR 2003)

45. Percentage of total export to countries with which Lao PDR has a preferential trade agreement

Preferential Trade Agreements (PTAs) are agreements among a set of countries involving preferential treatment of bilateral trade between any two parties to the agreement relative to their trade with the rest of the world. Preferences, however, need not extend to all trade between the two, and the coverage could depend on the type of PTAs.

46. Unemployment rate of young people aged 15-24 years, each sex and total

Unemployment of 15- to 24-year-olds is the number of unemployed people ages 15-24 divided by the labour force of the same age group.

Unemployed people are all those who are not employed during a specified reference period but are available for work and have taken concrete steps to seek paid employment or self-employment. In situations where the conventional means of seeking work are of limited relevance, where the labour market is largely unorganized or of limited scope, where labour absorption is temporarily inadequate or where the labour force is largely self-employed, a relaxed definition of unemployment can be applied, based on only the first two criteria (without work and currently available for work). The labour force consists of those who are employed plus those who are unemployed during the relevant reference period. It is the economically active portion of the population. Employment refers to being engaged in an economic activity during a specified reference period or being temporarily absent from such an activity, while economic activity refers to the production of goods and services for pay or profit or for use by own household. (Source: UNDG 2003)

47. Proportion of population with access to affordable essential drugs on a sustainable basis

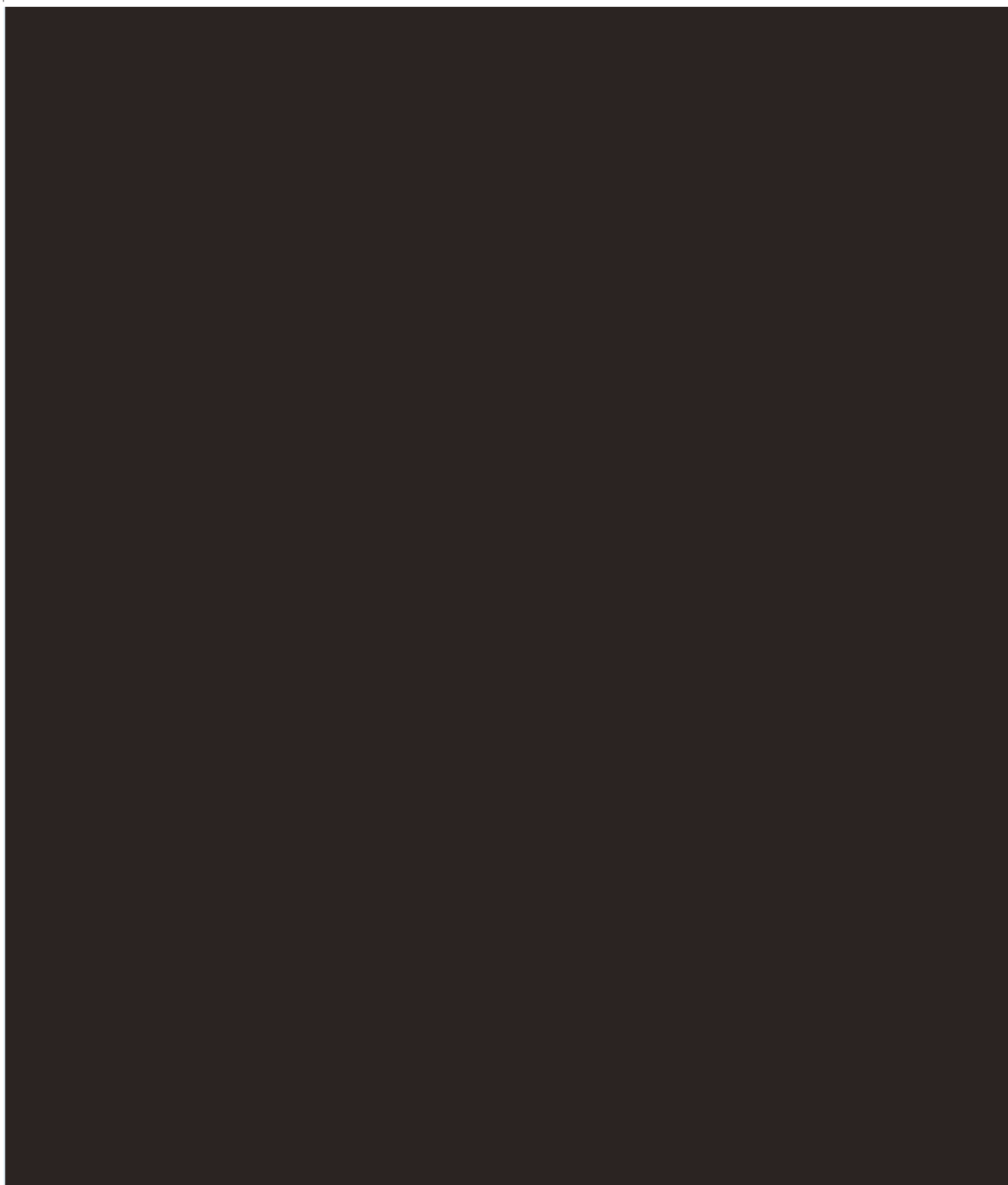
The percentage of the population that has access to a minimum of 20 most essential drugs. Access is defined as having drugs continuously available and affordable at public or private health facilities or drug outlets that are within one hour's walk of the population. Essential drugs are drugs that satisfy the health care needs of the majority of the population. The World Health Organization (WHO) has developed the Model List of Essential Drugs, which is regularly updated through widespread consultations with member states and other partners. Progress in access to essential medicines is thus the result of combined effort by governments, strategic partners such as United Nations Agencies, public-private partnerships, non-government organizations and professional associations. (WHO Expert Committee on Essential Drugs, November 1999). (Source: UNDG 2003)

48. Telephone lines and cellular subscribers per 100 population

Telephone lines refer to the number of telephone lines connecting subscribers' terminal equipment to the public switched network and that have a dedicated port in the telephone exchange equipment. Cellular subscribers refers to users of cellular telephones who subscribe to an automatic public mobile telephone service that provides access to the public switched telephone network using cellular technology. (Source: UNDG 2003)

49. Personal computers in use per 100 population and Internet users per 100 population

Personal computers (PCs) are computers designed to be operated by a single user at a time. The Internet is a linked global network of computers in which users at one computer, if they have permission, get information from other computers in the network. (Source: UNDG 2003)





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