

The Government of Maldives and the World Bank signed a \$16.5 million project to support resilient urban development and disaster preparedness in the Maldives. The agreement was virtually signed last week by Minister of Finance, Hon. Ibrahim Ameer and the World Bank Country Director for Maldives, Nepal and Sri Lanka, Dr. Idah Pswarayi-Riddihough.

The <u>Maldives Urban Development and Resilience Project</u> will support the government's efforts to modernize Maldives' urban infrastructure, enabling its expansion while making it more climate resilient. This will include renewal of the obsolete storm water drainage system in the capital Malé, the bulk of which is over forty years old and has not been functional for the past decade.

The project will also fund a sewage treatment plant on the island of Hulhumalé that was reclaimed to reduce congestion in Malé and to meet the growing demand for urban spaces in the country. The plant will reduce the release of untreated wastewater into the sea, protecting fisheries and tourism industry from pollution. Given that good hygiene is a critical measure to controlling the COVID-19 pandemic, the sewage treatment plant is even more relevant today.

"Social distancing is particularly challenging in congested cities, and the government's efforts to develop regional hubs and a housing policy that reduces congestion are key to building the country's resilience to natural disasters and disease outbreaks," said Idah Pswarayi-Riddihough, World Bank Country Director for Maldives, Nepal and Sri Lanka.

The project will also help Maldives better manage the impact of climate change risks by strengthening emergency preparedness, including the provision of modern early warning systems engaging citizens.

With the incidence of fires on the rise, improving drainage and helping store rainwater will not only increase the availability of fresh water on these islands, it will also make more water available for fire-fighting in the crowded urban environments," said **Kwabena Amankwah-Ayeh and Suranga Kahandawa**, the World Bank's task team leaders for the project.

The Urban Development and Resilience Project will be implemented by the Ministry of National Planning and Infrastructure with support from NDMA, City Councils of Male and Addu, HDC and MWSC. The total project cost is \$16.5 million, including a \$8.25 million grant and a \$8.25 million credit from the International Development Association.