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# World Bank Committed to Support Maldives Post-COVID Recovery

The World Bank's Country Director for Maldives, Nepal and Sri Lanka, Faris Hadad-Zervos, completed a successful visit to the Maldives today as part of the World Bank's continued engagement with the island nation to support its efforts to build back better from the unprecedented health and economic impact of COVID-19.

*"Thanks to progressive measures and adherence to guidelines, the Maldives' tourism has observed a strong rebound since late last year, with the country's economy now on the road to recovery,"* said **Faris. H. Hadad-Zervos, the World Bank Country Director for Maldives, Nepal and Sri Lanka.** *"Building on the positive economic outlook, Maldives can achieve a greener and more resilient growth and development that benefits all Maldivians through active management of its macro-fiscal situation and debt vulnerabilities."*

The visit came hot on the heels of the launch of the latest **World Bank Maldives Development Update: A Digital Dawn** report, which was released on April 15. The Update analyzes the devastating effect of the pandemic on the archipelago's economy, which saw a year-over-year contraction of nearly 30 percent in 2020. However real GDP is expected to grow by 17.1 percent in 2021, thanks to a strong recovery in tourist arrivals and continued investments in tourist facilities. The Update also highlights how digital technologies can be game changers for Maldives' growth and development.

During the two-day visit, the Country Director met with key portfolio ministers, including Minister of Finance Hon. Ibrahim Ameer, Minister of Economic Development Hon. Fayyaz Ismail, Minister of National Planning, Housing and Infrastructure Hon. Mohamed Aslam, and Minister of Environment Dr. Hussain Rasheed Hassan. Meetings were also held with the Governor of Central Bank Hon. Ali Hashim, as well as top officials from the Ministry of Communication, Science and Technology.

Discussions during the meetings focused on the macro-fiscal environment and the impact of COVID-19 on the country's economy. The Country Director also conveyed the World Bank's readiness to support the Maldives in building back better for inclusive and sustainable economic growth, and achieving its development goals.

The World Bank responded to the COVID-19 pandemic in the Maldives in April 2020 with a \$7.3 million COVID-19 Emergency Response and Health Systems Preparedness Project to help the country prevent, detect and strengthen its public health preparedness. In addition, \$10 million in contingency financing, under Disaster Risk Management Development Policy Financing with a Catastrophe Deferred Drawdown Option, and Pandemic Emergency Facility of \$952,000 have also been made available to support Maldives. Further, to mitigate the economic impact of the COVID-19 crisis on workers and their families, and to increase the capacity of social protection programs to respond to future emergencies, the COVID-19 Emergency Income Support Project of \$12.8 million was approved in June 2020 and later extended in January 2021 with additional financing of \$21.6 million.

The World Bank portfolio in the Maldives currently consists of 10 active operations with total net commitment of \$182 million.