
REPUBLIC OF MALDIVES

Multi-annual Indicative Programme 2021-2027

1. The overall lines of the EU international cooperation in the Maldives

1.1. Basis for programming

The EU and the Maldives established diplomatic relations in 1983 and the EU Heads of Missions accredited to the Maldives (resident in Colombo and New Delhi) started to hold an annual policy dialogue with the Government of the Maldives from 2015, co-chaired by the latter's Minister of Foreign Affairs. In 2019, the EU High Representative and the Maldives' Minister of Foreign Affairs jointly agreed to set up annual meetings at the level of senior officials to further enhance cooperation between the Maldives and the EU. The first annual Senior Officials Meeting was held in February 2020. In April 2021, the Foreign Affairs Council approved Council Conclusions on an EU Strategy for cooperation in the Indo-Pacific¹, as part of which the Council agreed to launch the negotiations on a Partnership and Cooperation Agreement with the Maldives.

Historically, environment, climate change and good governance issues have been part of development cooperation interventions. Security issues, in particular the fight against terrorism and violent extremism/radicalisation, have also come to the forefront of the cooperation and dialogue between the EU and the Maldives. However, in 2018, following a prolonged political crisis, the EU Foreign Affairs Council assessed the situation in the Maldives was not in accordance with the principles of democratic rule and separation of powers, and adopted a framework for targeted restrictive measures. The subsequent scrutiny contributed to free and fair Presidential elections to take place later that year. After the major political shift in November 2018 following the Presidential election, and the 2019 parliamentary elections, the Maldives renewed its commitment to consolidating democracy and upholding and promoting human rights. The EU welcomed these commitments and pledged to support the democratic reforms, and strengthening of the rule of law and human rights in the Maldives. The sanctions framework was revoked in June 2019, given the commitment of the current government to effectively drive good governance reforms and tackle corruption. This commitment was further renewed during the last annual Maldives-EU Policy Dialogue and Senior Officials Meetings in 2020.

The basis for programming for the Maldives is its Strategic Action Plan (2019-2023) (SAP)². The document outlines five sectors with several sub sectors. These include: 1) Blue Economy (fisheries and marine resources, agriculture, tourism, SMEs, economic diversification, labour and migration), 2) Caring State (health, education, social protection), 3) Dignified Families (housing, youth, sports, community empowerment), 4) Jazeera Dhiriulhun/Island Living (decentralisation, transport network, environmental protection, waste, sanitation), and 5) Good Governance (judicial reform, security, eliminating corruption, state accountability, gender equality). This comprehensive document includes policy priorities, target actions and timelines, as well as implementing agencies. According to the government, the Plan was elaborated with the contributions from a wide range of stakeholders (inclusive process), including the UNDP and selected civil society organisations. World Bank and Asian Development Bank (ADB) also assisted the government.

In 2020, the Government of Maldives reprioritised its action plan in response to the impact of COVID-19, and developed a National Resilience and Recovery (2020-2022) plan. In view of

¹ Council of the European Union: Council Conclusions 7914/21, 16 April 2021

² [Strategic Action Plan 2019-2023 - The President's Office \(presidency.gov.mv\)](https://presidency.gov.mv/strategic-action-plan-2019-2023)

the additional financial challenges and the health situation, a smaller number of policies were identified as essential to the government's main objectives of achieving decentralisation, diversification, and building resilience over the coming years. This document, shared with EU Member States (MS) during the fifth annual Maldives-EU Policy Dialogue in November 2020, will also serve as a basis for programming activities for the Maldives. On the EU side, in particular the EU Green Deal, the Gender Action Plan III and a rights based approach inform this Multi-annual Indicative Programme (MIP). The MIP may also assist in the implementation of the EU Strategy for Cooperation in the Indo-Pacific as the strategy provides a wider geopolitical framework. EU policies on counterterrorism and prevention of violent extremism/radicalisation as well as domestic policies in the Maldives play also a role due to the threat of terrorism and violent extremism, as demonstrated by various violent attacks including the one against the Speaker of the Parliament in May 2021. Overall, the EU support will contribute to strengthen the rule of law and counterterrorism, fight corruption and promote environmental sustainability in the Maldives.

All actions taken under this programming exercise shall comply with EU legislation, in particular EU restrictive measures (sanctions) adopted pursuant to Article 215 of the Treaty on the Functioning of the European Union.-

Complementarity with Thematic (CSO, Human Rights and Global Challenges) and Regional Programmes, financed under INTERREG and Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE), can help to achieve the expected results in both priority areas at Country level.

1.2. Status of joint programming

Joint programming is not a suitable option as there is no EU or MS permanent presence in the Maldives. However, continued coordination with MS as well as with like-minded donors and international organisations would be important to ensure leverage on relevant policy domains.

1.3 Priority areas of the EU's cooperation with the partner country

Reconciling EU and Maldivian priorities and based on numerous consultations and analytical work done, focus will be on two priority areas:

Green Recovery, The Maldives is facing an essential human to nature dilemma: how to sustain its economy, based essentially on tourism and fishery, while protecting the essential natural resources and biodiversity that are providing the basic incomes for its population. This at a time when the country is being severely impacted by climate change and recovering from the socio-economic impact of the COVID-19 pandemic. Creating sustainable and inclusive economic development by promoting a circular economy that creates employment, while investing in climate change mitigation and adaptation to protect people's livelihoods will be essential under this priority area.

Good Governance, Rule of Law and Security, Maldives has seen significant challenges related to weak public institutions and accountability, endemic corruption, gender inequality, politicized judiciary, vulnerability to radicalisation and violent extremism. There is now both a momentum and necessity to address structural challenges in order to consolidate democratic

governance, security and the rule of law in the country. These priorities are consistent with the current government's national priorities.

1.4 Justification and context

The Maldives has put climate change at the centre of its policies and the country has been a major advocate for combating climate change through mitigation and adaptation at the international level in particular through the conferences of the Climate Change Conference of the Parties (COP) and the Alliance of Small Island States. The Maldives also has a National Biodiversity strategy and an Action Plan for 2016 to 2025. The priority area 1) Green Recovery was chosen in consideration of the country's vulnerability to natural phenomena linked to climate change, considering the strong reliance on imports and large investment needed for infrastructure to satisfy the needs from the tourism industry, plus the impact that those have on the environment. Furthermore, the EU acknowledges the need to support key sectors of the economy where a circular approach and innovative technologies can be introduced to manage more sustainably the scarce local resources and the Maldivian objective to develop a blue economy. This includes the maritime and land resources, which would allow the economy to be more self-sufficient, less vulnerable to external economic shocks, and less dependent on imports while making the country more resilient to the impacts of climate change (SDGs 12, 13, 14, 15). The initiative would cover important aspects of the Maldives Nationally Determined Contributions (NDC) to the Paris Agreement on climate change, and waste management, with particular focus on marine litter to reduce environmental degradation.

Horizontal support to public finance management (in particular on the issue of developing and implementing a sustainable model for development financing) that could be financed by a regional or multi-country programme outside this MIP would back this by contributing to more fiscal space for the required investments. Similarly, as Maldives has ratified the Trade Facilitation Agreement and formally notified the World Trade Organisation of 18 specific measures requiring technical assistance and capacity building, regional funding could support simplifying procedures to facilitate trading operations. These priority areas are fully in line with the overall EU political priorities and initiatives enshrined in the European Green Deal to fight against climate change and environmental degradation and to make the economy more sustainable, including the European Strategy for Plastics in a Circular Economy (adopted in 2018) and the new European Circular Economy Action Plan.

Structural challenges to democracy in the Maldives include weak public institutions, endemic corruption, deeply rooted gender inequality, persisting issues with freedom of assembly and association for workers, an inefficient and politicized judiciary and lack of capacity, in particular at local level. Besides, the country is also facing increasing security risks due to the rise of violent extremism, radicalisation and conservative Islamic practises. The Strategic Action Plan (SAP) includes a dedicated chapter on governance, focusing in particular on rule of law and judicial reforms, countering violent extremism, national security and public safety, elimination of corruption, state accountability and transparency, public services reform as well as gender equality.

Through amendments to the Decentralization Act (2010)³ and its progressive reforms, the Maldives has also embarked upon a significant process to improve local governance, a process which is key considering notably the specific geography/topography of the country. The 8th Amendment to the Act (ratified on 15 December 2019)⁴ foresees notably further fiscal and administrative decentralisation as well as a 33% quota for women in local councils. It is expected that additional decisions also with regard to environmental issues will be taken in the future.

Fundamental freedoms have also gained more space recently in this new political context, although progress remains fragile and volatile⁵. The Maldives does not have a long tradition of democracy, so democratic values and attitudes are not yet deeply rooted.

The COVID-19 pandemic is having far-reaching socio-economic, political governance and psychological implications in the Maldives, and this will continue in the medium to long term. Identified risks include negative economic growth, growing fiscal deficit and macroeconomic instability, increased socio-economic inequalities (including in terms of access to basic public services), massive job losses, growing domestic and gender-based violence as well as rising community violence and criminal activity (including drug trafficking and violent extremism/radicalisation). The most vulnerable groups of the population, such as women, children, youth, migrant workers, people with disabilities and the elderly, may be disproportionately affected.

Over the recent years, the EU has been expanding its cooperation in governance with the Maldives, but a more comprehensive approach is needed. Cooperation on climate change has been longstanding and has shown mixed results because of limited domestic institutional capacity, logistical issues, vested interests and average performance by implementers. It is foreseen to overcome some of these issues by a political economy analysis and enhanced monitoring by the EU.

Thus in view of political willingness by the Maldivian government and the likely implications of the COVID-19 epidemic, there is both a need and an opportunity to support country-owned reforms to improve democratic governance (including decentralisation), strengthen accountable and efficient public institutions and indirectly foster social cohesion (in line with SDG 16 targets). It is also crucial to identify areas of intervention that can lead to high impact while not neglecting actions that will lead to real change on the ground at the local level. There would also be a need to work on human capital development as a cross-cutting issue since weaknesses in this area seriously limit any major reform efforts.

These selected priority areas for this MIP are consistent with the EU global good governance agenda (promoting EU core values and principles), the European Security Strategy and Counter-Terrorism strategy as well as with EU business and security interests in the region.

Overall, the EU Delegation had positive experiences when engaging with the government, key

³The legal framework for decentralisation in the Maldives is guided by Chapter 8 of the 2008 Constitution, and the Decentralisation of the Administration Divisions of the Maldives Act (7/2010).

⁴ 8th Amendment to the Decentralisation Act (2010), 15 December 2019, Ref: 2019-993

⁵ As demonstrated notably by the dissolution in 2019 of a leading human rights NGO Maldivian Democracy Network (MDN) under allegation of blasphemy and threats against another NGO Uthema (a women's rights oriented NGO) in 2020.

stakeholders, and local civil society in the two proposed priority areas, although institutional capacities remain limited. The EU has regular contacts and supports civil society organisations in the Maldives notably through the promotion of their dialogue with authorities, as per the latest EU-Maldives Civil Society Roadmap 2018-2020.

This MIP has been elaborated in close consultation with a wide range of stakeholders in the Maldives. However, due to the COVID-19 pandemic, these consultations have mainly taken place virtually. In addition to government stakeholders, the Maldivian civil society was a part of this process and the selection of priority areas and specific objectives takes into account the feedback and suggestions made by a diverse group of civil society stakeholders, which included youth-led organisations, women's rights organisations, human rights defenders, as well as academics.

Therefore, in addition to the government's leading role, it is foreseen that civil society will also participate in the design and implementation of future EU actions under the two proposed priority areas while being involved in the related policy discussions.

At the regional and global level, key areas to consider for development include: financing maritime safety/security and fight against illegal trafficking and smuggling (drugs trafficking, human trafficking), trade facilitation and diversification as well as targeted actions related to mitigate the health impact of the COVID-19 pandemic (building on the ongoing regional programme implemented by WHO), support to vaccination campaigns and enhance the preparedness of the country to deal with eventual future pandemics/health hazards. Assistance to immigrants/migrant workers coming from other South Asian Association of Regional Cooperation (SAARC) countries and developing countries may also be taken up at regional level.

1.5 Duration of the MIP and option for synchronisation

The MIP for the Maldives is 7 years, with a mid-term review foreseen in 2024, as this will coincide with the outcome of Presidential Elections at the end of 2023.

2. EU support per priority area

2.1. Priority area 1: Green Recovery

Climate change is an existential threat to the low-lying islands of Maldives predicted to disappear by 2100 given sea level rise. Similarly, increase in sea temperature and pollution of the ocean is causing coral bleaching with a devastating impact on the Maldives' tourism and fisheries. With the 300 km² landmass spread across about 90 000 km², sustainable management of limited land and marine resources, is both financially and logistically challenging. Despite being an upper middle-income country, the Maldives is still very vulnerable to external financial/economic and environmental/climate change related shocks. The country also needs to diversify its economy and to address severe waste generation and disposal issues, which provide the need and opportunity to promote circular economy.

Major risks are:

- a) Further economic decline in the Maldives, which could make green recovery and the promotion of circular economy a lower priority. Changes in government priorities could also occur. The EU will closely monitor future political and macroeconomic developments and seek policy dialogue with the government.
- b) Vested business (and political) interests could resist required changes. A political economy analysis and stakeholder involvement (in particular government and civil society in its watchdog function) by the EU will try to overcome such possible resistance.

The Maldives adopted its first NDCs (Nationally Determined Contributions) in 2016 where the following areas of intervention were identified: energy, tourism, waste, water, and building sectors. The country aims to undertake climate change mitigation and adaptation actions, focusing on opportunities and to build climate resilient infrastructure to address the current and future impacts of climate change, such as enhancing food and water security and safeguarding coastal and marine life through more sustainable waste management, tourism and fishery activities.

The government estimates that biodiversity contributes towards 71% of employment, 89% of GDP and 98% of exports. The Maldivian coral reef system is the seventh largest in the world, spreading over an area of 8 920 km² and represents 3% of the global coral cover.

Despite this rich marine biodiversity, the Maldives lacks terrain-based natural resources such as fresh water, foodstuff or raw materials for construction needed for human activity. The limited availability of cultivable land (the total cultivable land area is estimated at 27 km² and only 1% of the country's territory is land mass) and coastal erosion make it is also difficult for agriculture to develop, although agriculture remains an important source for livelihoods and employment despite its low contribution to GDP (around 1%). The country has to import almost all products from abroad not only to sustain its population but also for the resource demanding tourism industry which is the largest contributor to its GDP (58.8%). Most of foodstuff are imported (and local production can hardly compete). This is leading to a high trade deficit in goods, which leads consequently to important amounts of waste. According to the State Environment report (2016), Maldives generate an estimated 860 MT of solid waste per day. The amount of waste generated in the Greater Malé Region increased by 155% over the last decade, while in the atolls, there was an increase of 57.6% over the same time period. Organic waste makes up the largest waste stream in both Malé and the atolls, followed closely by paper and plastic waste. Plastics are commonly disposed into the sea and threaten the Maldives' pristine marine ecosystems impacting both fisheries and tourism. The Maldivian government aims to phase out single-use plastics by 2025 and the EU is assisting this initiative through technical assistance and an on-going grant project, both under the SWITCH Asia programme⁶.

Despite the abundance of fish, this natural resource is also under threat, mainly due to the impact of climate change with sea temperature warming and bleaching of coral beds. This will have a greater impact on the Maldives' GDP as it is one of the two main economic sectors. In times of global crises, such as the current COVID-19 pandemic, this can potentially pose a

⁶ www.switch-asia.eu SWITCH-Asia was launched by the European Commission in 2007 to promote sustainable consumption and production in 24 countries across Asia/

severe food security risk to the population. Supply chain and waste management (including for disposal of health waste) is a huge challenge impacting directly the Maldivian environment and natural resources which are the greatest assets for its tourism industry.

Being a small islands state, with about 300 km² of lands spread across about 90 000 km², makes it very challenging to connect logistically. Despite its low contribution to global greenhouse gas emissions (0.003%), 80% of emissions are due to diesel consumption and currently almost 100% of electricity is produced by imported fossil fuels, which is difficult and expensive to transport to islands, especially in poor weather, increasing the risk of spillage and reliability of power supply, while having a heavy burden on government spending (currently 16% of GDP and energy subsidies exceed EUR 36 million annually). Since the transport sector represents 25% of total energy consumption, the development of sustainable infrastructure and services under a multimodal approach and the introduction of more new energy efficient technologies (e.g. investment in green vessels) require a set of legislative and regulatory reforms that the government has committed to.

Over the years the biodiversity has been impacted by reclamation associated with infrastructure projects, habitat alteration to accommodate social and economic growth, over exploitation of natural resources and species including bait fish and heightened pollution from over-excessive use of chemicals, inadequate waste management, and untreated sewerage disposal.

Civil society plays a key role as a watchdog over administrative processes including on environmental issues such as environmental impact assessments. Civil society organisations are also relevant when it comes to working with the population at grass root level inciting more environmentally sound consumption patterns. In view of the Maldives' geography, local authorities also play a significant role when implementing rules and regulations and for having greener service deliveries on the ground which is likely to increase because of the government's plans for enhanced decentralisation.

With the existing constraints mentioned above, improving the circularity of the economy through support to the country's supply chain (transport and logistics), the management of scarce natural resources and waste as well as the introduction of nature-based solutions, innovative technologies (including digital ones) and processes to minimize the impact of goods and food consumption on the environment and the economy, would therefore be essential in particular in the greater Malé area but also in other regional centres. It would also be important to develop vocational skills of the workforce through vocational education and on the job training in these areas and to promote research and development. Finally, making the link to climate change adaptation and mitigation, it would also be relevant to consider looking into measuring, reporting and verification (MRV) using digital tools to track implementation and impact of Nationally Determined Contributions (NDCs).

This priority area will build on results achieved and lessons learned from previous EU-funded interventions in particular on climate change related issues. Coordination with the government, local authorities, other like-minded donors, the international financing institutions and development banks will be crucial. Civil society is foreseen to be involved in the design and implementation of projects. Policy dialogue should be focused on creating the right incentives and legal frameworks. Coherence with thematic programmes and global challenges programme should be ensured and links established, where appropriate. The use of digital tools will assist in these efforts.

Actions related to decent and inclusive employment opportunities in the green recovery area will be supported, including the respect of labour rights and the promotion of decent working conditions and social protection.

2.1.1 Specific objectives related to the priority area

Specific Objective 1: Enhance sustainable management of natural resources through climate mitigation/adaptation actions promoting circularity

SDGs: 11, 12, 13, 14, 15 plus 5, 6, 7; DAC codes: 140, 151, 410

2.1.2 Expected results per specific objective

ER 1. Improved waste management and reduction of single use plastics.

ER 2. Eco-efficient ferry, airport and other vehicle transport services developed to provide increased connectivity and ease mobility of individuals, goods and services to administrative islands.

ER 3. Improved marine resource management and biodiversity protection.

ER 4. Improved institutional coordination on green economic policies/issues.

2.1.3 Indicators (including baseline and targets), per expected result

Indicators will be in line with the EU International Cooperation and Development Results Framework and EU Gender Action Plan (GAP III) indicators. In case of need, the EU may use country results frameworks (such as the one under the National Determined Contributions monitoring system⁷) or joint results frameworks⁸ (with international development partners) ensuring relevant data collection and quality control. Due attention is given to ensure introduction of gender sensitive indicators as well as gender disaggregated data in the results framework. The main indicators including the baseline and targets and the sources of verification for measuring the aforementioned results are detailed in the intervention framework (Attachment 1).

2.1.4 Possible use of blending and guarantees for investment under EFSD+

The funding under the MIP would essentially contribute to the preparation of the European Fund for Stability and Development plus (EFSD+) operations and facilitate the mobilisation of additional financing under the regional MIP for interventions related to green infrastructure through (sub-) sovereign and commercial lending and/or guarantee operations (estimated at EUR 7.5 million under the regional MIP) with International and European Financing Institutions while ensuring the participation of the private sector. .

Sustainable finance represents a real potential in the region and could help accelerate financial flows towards green, inclusive and resilient transitions

2.2 Priority Area 2: Good Governance, Rule of Law and Security

⁷ Maldives updated NDCs 2020

⁸ The European Consensus on Development (Council of the European Union, 2017) committed EU actors and member states to align results frameworks to the 2030 Agenda for Sustainable Development, prioritising use of country-based results frameworks and Sustainable Development Goal (SDG) indicators.

Decentralising government functions, strengthening the decentralisation system, and empowering local councils are key pledges of the government. Efforts towards this will continue despite the challenges posed by COVID-19. Similarly, the government has reiterated on several occasions its political commitment to initiatives aimed at enhancing the rule of law, strengthening the independence of the judiciary, anti-corruption, and other such priorities identified under the ‘Good Governance’ chapter of the SAP. The government has also acknowledged security threats arising from radicalisation and extremism, and has been open to cooperation with international partners to address these challenges.

Major risks are:

- a) Changes in the political environment that could see the government withdrawing support to their reform agenda. The risk will be mitigated by the EU through policy dialogue, close coordination with other donors and stakeholders, as well as an active communication strategy.
- b) A further risk is resistance against change, which will be mitigated by stakeholder involvement. There is also the risk of lack of buy-in from the local population. This risk should be mitigated by a specific communication strategy.

Recent legislative amendments to the Decentralization Act (2010) by the government aim to give more autonomy, powers and responsibilities to the local authorities and local councils, with the purpose notably to work towards the development of regional hubs, create more jobs, and enhance businesses opportunities outside of the capital region. An amendment introducing a historic gender quota will also ensure that women would fill at least 33% of all local council seats, in order to improve the political representation and participation of women. Support to build capacity of these counsellors is expected to have a major impact on improved service delivery, political representation and strengthening of the democratic system. However, there are key challenges that remain, such as limited human resource capacity and technical expertise that may prevent the implementation of local councillors’ enhanced powers and responsibilities. COVID-19 may also have an impact on the local authorities and councils’ abilities to function independently and to provide services, in particular since fiscal decentralisation could be a challenge.

The Maldives adopted a new Constitution in 2008 which paved the way for an impartial and independent judiciary in the Maldives. It contains provisions on jurisdiction, the qualification of judges, and the mechanism for their appointment and removal. Notwithstanding, a succession of political confrontations and crises, often involving the Supreme Court, has been prevalent since 2008. Several reports commissioned by the EU since 2011 concluded on the structural need to reform the sector. There have been some recent positive developments and efforts at reform in the justice sector. However, significant qualifications and accountability issues remain, as well as an overall lack of resources. Moreover, the geographic isolation of many islands impedes the proper functioning of the justice value chain.

The Maldives ranks 75th (out of 180) in the 2020 Corruption Perception Index (from 130th in 2019). Although the government is willing to engage in anti-corruption reform, and has taken many positive steps to this effect, existing legal and operational issues may either result in inefficient combating of corruption or generate a constitutional crisis that could impact the functioning and authority of independent institutions vis-à-vis the executive. In recent years, the Maldives has seen the biggest corruption scandal in the history of the country, involving politically exposed persons who allegedly embezzled state funds, more than USD 70 million,

through the misuse of public office through a state-owned enterprise. More recently, the Auditor General published a report on the compliance of Ministry of Health during COVID-19 Pandemic, alleging conduct of corruption offences in the procurement processes. This highlights the need for an effective and independent anti-corruption system within the institutions but also within society overall, both during times of crisis and otherwise.

Concomitantly with the opening and democratisation of the political space and growing foreign influence, the country has seen a worrying rise in radicalisation, hate speech and intimidation. The Maldives is also estimated to be one of the highest contributors to ISIS fighters (in per capita terms), and will face challenges related to the return and rehabilitation of foreign terror fighters. The country has recognized the security risks and made efforts to address these, including through the establishment of a National Counter Terrorism Centre (NCTC)⁹ in 2016. Yet, legal, institutional and material challenges still remain. These include:

- lack of integration of the various strands of work of the security institutions (defence forces, police, intelligence, NCTC);
- weak legislation preventing the effective prosecution of returning Maldivian terror fighters from abroad;
- low capacity of rehabilitation and support mechanisms to adequately reintegrate the families back into society.

The EU has a strong interest in contributing to the fight against extremists, to maintaining social cohesion and stability in the Maldives for the benefit of its people, and also considering the high number of European tourists – on average 500 000 persons – visiting the country every year and highly vulnerable to terror attacks and instability.

This priority area will build on results achieved and lessons learned from previous EU-funded governance interventions. Coordination with government, local authorities other like-minded donors, the UN, the international financing institutions and civil society organisations (CSOs) will be crucial. Policy dialogue may also take place in other thematic areas such as in education through the ERASMUS+ programme. Coherence with thematic programmes and global challenges programme should be ensured and links established, where appropriate. The use of digital tools, in particular on the rule of law and anti-corruption efforts, will assist in these efforts.

Under this priority area, it is proposed to focus on three Specific Objectives.

2.2.1. Specific objectives related to the priority area

Specific Objective 1: Improve local governance and the decentralisation process, based on government-led reforms and with a focus notably on improving women's political representation and participation at the local level.

SDGs: 11, 5, 16; DAC code: 151

Specific Objective 2: Strengthen the rule of law, institutional accountability and anti-corruption reforms

SDG: 16, 10, 5; DAC code: 151

Specific Objective 3: Counter terrorism and prevent violent extremism and radicalisation

⁹ <https://nctc.gov.mv/html/aboutus.html>

SDGs: 16 (in particular target 16.A); DAC codes: 151 and 152

2.2.2. Expected results per specific objective

Specific objective 1:

- ER 1.1: Strengthened local governance systems and processes;
- ER 1.2: Improved capacity of (women) political candidates and councillors at the local level.

Specific objective 2:

- ER 2.1: Enhanced independence, transparency, inclusiveness and effectiveness of the justice system across the whole judiciary value chain, with a particular focus on access to justice for women, girls and children victims of sexual, gender-based and other forms of violence;
- ER 3.2: Reduced perception and occurrence of corruption practices.

Specific objective 3:

- ER 3.1: Enhanced capacity of law enforcement agencies and the judiciary to efficiently prevent and fight against terrorism, radicalisation and violent extremism;
- ER 3.2: Strengthened resilience of local communities against radicalisation and drivers of violent extremism.

2.2.3. Indicators (including baseline and targets) per expected result

Indicators will be in line with the EU International Cooperation and Development Results Framework and GAP III indicators. In case of need, the EU may use country results frameworks (such as the one under the NDC monitoring system) or joint results frameworks (with international development partners) ensuring relevant data collection and quality control. Due attention is given to ensure introduction of gender sensitive indicators as well as gender-disaggregated data in the results framework. The main indicators including the baseline and targets and the sources of verification for measuring the aforementioned results are detailed in the intervention framework (Attachment 1).

2.2.4. Possible use of blending and guarantees for investment under EFSD+

Not foreseen.

3. Support measures

3.1. Measures in favour of civil society

The Maldives has seen repression and threats to space for civil society in the past, although the situation has improved since 2018. Nevertheless, there are still a number of societal taboos and some issues that are difficult to be raised and debated in the public sphere (including topics related to faith/freedom of religion and gender-related issues). Civil society organisations (CSOs) have received online and offline threats, and there are still significant constraints to freedom of speech and civic space in the country. On the other hand, local civil society groups often have structural weaknesses in terms of organisational and institutional capacities. A capacity building programme for local civil society that may put emphasis on the youth and women would therefore be piloted to cater for these needs and foster EU-CSOs dialogue and cooperation in the Maldives, based on the new CSO Roadmap 2021-2024. It will be included under the Cooperation Facility mentioned here below. Civil society will also play a role in the implementation of the two priority areas mentioned above, for instance as watchdogs and promoters of innovative solutions for priority area 1.

3.2. Cooperation facility

A Cooperation facility will be set up to support capacity development according to mutual priorities, and to ensure visibility of EU technical and financial assistance. In addition, it will be foreseen to support continued policy dialogues between the EU and the Maldives, including the high-level annual Maldives-EU Policy Dialogue as well as the Senior Officials Meeting. Both provide a platform for high-level engagement with government stakeholders to support policy reform. The Cooperation facility would also support the implementation of the EU strategy for cooperation in the Indo-Pacific. Finally, the Cooperation facility will also be used to identify and implement smaller projects outside the two priority areas.

Considering the information environment in the Maldives and the importance of building coalitions with citizens and non-state actors to advance EU policy priorities, developing trusted channels of engagement through public diplomacy should become an essential element of our engagement. Dedicated long term public diplomacy initiatives allowing to engage durably with our target audiences and partners (beyond the life cycle of specific cooperation projects) are key to build trust, enhance the understanding of the EU, support the implementation of its policy priorities and, ultimately, facilitate implementation of actions in the proposed priority objectives.

Dedicated initiatives should allow the EU to develop long term, strategic and coherent approaches to foster, engage and mobilise networks of key target audiences and potential partners such as youth, academics, influencers (e.g. media, think tanks, business community), civil society and cultural action.

4. **Financial overview**

Although the duration of this MIP is seven years, the indicative allocations for the Maldives and for each of the priority areas and support measures laid down in the table below are provided for the 2021-2024 period only. The indicative allocations for 2025-2027, as well as the possible modification of other substantial elements of this MIP, will be subject to a decision by the EU. This decision should be preceded by a review of the implementation of this MIP, which should include a dialogue with the authorities and other stakeholders of the Maldives.

Green recovery	6.5 Million EUR	54 % of total
Good governance, rule of law and security	5 Million EUR	42 % of total
Support measures	0.5 Million EUR	4 % of total
<i>TOTAL for initial period</i>	<i>12 Million EUR¹⁰</i>	<i>100% of total</i>

Attachments

1. Intervention framework
2. Donor matrix showing the current indicative allocations per sector

¹⁰ Of which at least 35% will be for climate action.

Attachment 1. Intervention framework

Expected Results	Indicators	Baseline & targets	Means of verification
Priority area 1: Green Recovery			
Specific Objective 1: Enhance sustainable management of natural resources through climate mitigation/adaptation actions promoting circularity			
1. Improved waste management and reduction of single use plastics	1.1. Indicator 6: Number of MSMEs applying Sustainable Consumption and Production practices with EU support (possibly disaggregated by sex)	1.1 BL: 0 T: 10	Government reports
	1.2. Indicator 9: Areas of terrestrial and freshwater ecosystems under (a) protection, (b) sustainable management with EU support (km2)	1.2 BL: 0 T: 5	Project reports
	1.3. Indicator 14: Number of jobs supported/sustained by the EU; disaggregated by green jobs and sex	1.3 BL: 0 T: 100	Business organisations surveys
	1.4. Number of integrated waste management systems developed with EU assistance	1.4 BL: 0 T: 3	
	1.5. Share of plastic bags in total packaging	1.5 BL: Tbd 1.5 BL: Tbd T: Reduction by 80 %	

2. Eco-efficient ferry, airport and other vehicle transport services developed to provide increased connectivity and ease mobility of individuals, goods and services to administrative islands	2.1 Indicator 19: Total length of transport infrastructure supported by the EU (kms): a) roads; b) railways; c) <u>waterways</u> 2.2 Indicator 7: Greenhouse Gas emissions avoided (tonnes CO2 eq) with EU support in transport sector per km travelled	2.1 BL: 0 T: 1000 2.2 BL: 260.673 Gg CO2 eq¹¹ T: 15 % reduction	Government (NDC) reports Project reports
3. Improved marine resource management and biodiversity protection	3.1. Marine Areas under a) protection b) sustainable management with EU support	3.1a) BL:0 T:1 3.1b) BL:0 T: 1	Government reports Project reports Civil society reports and surveys
4. Improved institutional coordination on green economic policies/issues	4.1. Indicator 29: Number of government policies developed or revised with civil society organisations' participation through EU support 4.2. Number of (a) dialogue mechanisms on Inclusive Green Economy supported by the project and (b) actors attending them (disaggregated by sex/type of stakeholder).	4.1 BL:0 T: 10 4.2 BL:0 T (b):10 T (b):500	Government reports Project reports Civil society reports and surveys

¹¹ Baseline from the Second National Communication submitted to UNFCCC in 2020. Transport is the 2nd largest emitter of GHG contributing 21.53% of the emissions. The sector estimations are based on a small sample population extrapolated to the whole country for land and marine transport; international air transport is reported separately.

Expected Results	Indicators	Baseline & targets	Means of verification
Priority Area 2: Good Governance, Rule of Law and Security			
Specific Objective 1: Improve local governance and the decentralisation process, based on government-led reforms and with a focus notably on improving women's political representation and participation at the local level			
Result 1.1: Strengthened local governance systems and processes	1. EU RF Level 1 indicator – 1.27: Government Effectiveness score (as measured by the World Bank Worldwide Governance indicators - both estimate and ranking)	BL (2019): Estimate: - 0.2 Ranking: 42.8 Targets: Estimate: 0 Ranking: Improvement in the ranking	World Bank reports
Result 1.2: Improved capacity of (women) political candidates and councillors at the local level	1. Number of women candidates and councillors benefiting from EU support 2. Level of confidence of women candidates and councillors on their capacities to carry out their mandate	BL: 0 T: 30 BL: Tbd T: At least 75% of assisted women candidates and councillors report an increased level of confidence	Government reports, project reports Survey to be carried out

	3. EU RF Level 1 indicator - 1.8: Proportion of seats held by women in (a) national parliaments and (b) <u>local governments</u>	BL (2021):TBD T: quota set by the Maldivian laws effectively achieved	Government reports, project reports by the EU
Specific Objective 2: Strengthen the rule of law, institutional accountability and anti-corruption reforms			
Result 2.1: Enhanced independence, transparency, inclusiveness and effectiveness of the justice system across the whole judiciary value chain, with a particular focus on access to justice for women, girls and children victims of sexual, gender-based and other forms of violence;	1. EU RF Level 1 indicator – 1.29: *Rule of Law score (as measured by the World Bank Worldwide Governance indicators - both estimate and ranking) 2. EU RF Level 2 Indicator 27: Number of people directly benefiting from legal aid interventions supported by the EU 3. EU RF Level 2 Indicator 25: Number of government policies developed or revised with civil society organisation participation through EU support 4. Number of grassroots civil society organisations benefitting from (or reached by) EU support (indicator not yet integrated into the European Union results framework – EU RF)	BL (2019): Estimate: - 0.4 Ranking: 39.4 Targets: Estimate: -0.1 Improvement in the ranking BL (2021): 0 Target: 1000 people BL (2021): 0 Target: 5 BL (2021): 0 Target: min. 15	World Bank reports Project reports Project reports Project reports

	5. EU RF Level 2 Indicator 26: Number of victims of human rights violations directly benefiting from assistance funded by the EU	BL (2021): 0 Target: Min. 50	Project reports
	6. Number of individuals benefiting from EU-funded programmes to counter sexual and gender-based violence (indicator to be integrated into the European Union results framework – EU RF)	BL (2021): 0 Target: min. 500	Project reports
	7. GAP III indicator: % of referred cases of gender-based and sexual violence against women and children that are investigated and sentenced	BL: TBD T: increase by 20 %	Government reports, judiciary reports, project reports
Result 2.2: Reduced perception and occurrence of corruption practices.	1. Control of Corruption score (as measured by the World Bank Worldwide Governance indicators- both estimate and ranking) 2. Corruption Perception Index – CPI (compiled by Transparency International)	BL (2019): Estimate: - 0.3 Ranking: 46.2 Target: Estimate: 0 Ranking: increase in scoring BL (2020): Score: 43/100 Ranking: 75/180 Target: Score: 48, Ranking: increase in scoring	World Bank reports Corruption perception index by Transparency International

	3. EU RF Level 2 Indicator 25: Number of government policies developed or revised with civil society organisation participation through EU support 4. Number of grassroots civil society organisations benefitting from (or reached by) EU support (indicator not yet integrated into the European Union results framework – EU RF)	BL (2021): 0 Target: Min. 5 BL (2021): 0 Target: Min. 10	Project reports Project reports
Specific Objective 3: Counter terrorism and prevent violent extremism and radicalisation			
Result 3.1: Enhanced capacity of law enforcement agencies and the judiciary to efficiently prevent and fight against terrorism, radicalization and violent extremism	1. EU RF Level 2 Indicator 29: Number of state institutions and non-state actors supported on security, border management, countering violent extremism, conflict prevention, protection of civilian population and human rights	BL (2021): 0 Target: Min. 10	Project reports
Result 3.2: Strengthened resilience of local communities against radicalisation and drivers of violent extremism	1. Political stability and Absence of Violence/Terrorism score (as measured by the World Bank Worldwide Governance indicators - both estimate and ranking)	BL (2019): Estimate: 0.0 Ranking: 48.1 Target: Estimate: 0.2 Ranking: 48.1 increase in scoring	World Bank reports

Attachment 2. Donor matrix showing the current indicative allocations per sector

Programming Cycles

Donor Organisation	Programming Cycle
Asian Development Bank	2018-2022
USAID	2020-2025
World Bank	2020-2024
World Food Program	2018-2022
UNDP	2018-2022
FAO	2018-2022
UNOPS	2018-2021
UNESCO	2018-2022
UNODC	2018-2021
UNHCR	-
IOM	2018-2022
UNICEF	2018-2022

Other Major Donors: Government of China, Government of India, Government of Japan, Government of Germany, Government of Australia

	Environme nt/ Clima te Chan ge	A g ri c u lt u r e	Ren ewa ble Ene rgy	S e c u r i t y	Disas ter Risk Redu ction	Emer gency Resp onse	H e a l t h	Nutrit ion	Urban Develop ment	Private Sector	I T	Vocatio nal Trainin g	Employ ment	Educ ation	Touri sm	Water Sanitati on	Infrastruc ture Developm ent	S M E s	Migra tion	Rural Develop ment	Gender Equality	Govern ance	Human Rights	Reconcili ation	Peace building
ADB	X	X			X				X	X		X					X	X		X	X				
UNDP	X	X	X		X	X				X	X				X	X	X	X	X	X	X	X	X	X	X
FAO	X	X		X	X	X		X		X	X		X		X	X				X	X	X	X	X	X
WB																									
UNOPS		X			X				X							X	X								
UNODC					X																X		X	X	X
WFP		X		X	X	X	X	X												X					
UNHCR																						X	X	X	X
IOM					X	X	X												X	X		X	X	X	X
UNICEF				X	X	X	X	X						X		X					X	X	X	X	X

