



Maldives: Regional Development Project Phase II

Project Name	Regional Development Project Phase II		
Project Number	33218-013		
Country / Economy	Maldives		
Project Status	Closed		
Project Type / Modality of Assistance	Loan		
Source of Funding / Amount	Loan 2170-MLD: Regional Development Project Phase II		
	Asian Development Fund		US\$ 6.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development Knowledge solutions Private sector development		
Sector / Subsector	Water and other urban infrastructure and services / Urban policy, institutional and capacity development		
Gender	Effective gender mainstreaming		
Description	The Project seeks to provide the focus for regional development in the North Central, Central and South Central development regions thereby supporting more equitable development in the country and taking some of the pressure off the capital Male. The Project includes a balance of institutional, infrastructure and environmental improvements on the 3 focus islands and their region. The Project will contribute to the achievement of the longer-term goals of safeguarding public health and the environment, supporting private-sector participation in waste management and sanitation, and increasing public awareness of responsible environmental management practices. The Project combines the three principal thrusts of policy improvement, capacity building and investment in physical facilities. The Project will (i) improve hygiene and sanitation through the implementation of settled sewerage systems in three of the focus islands with possibility of replication to other islands; (ii) improve the quality of safe drinking water through the expansion of the rain water tank program; (iii) promote environmental conservation through the introduction of an integrated waste management system on a pilot project basis and conservation of ground water resources; (iv) support the regional development management process and improve local governance of island communities through the institutionalization of a comprehensive and integrated land use planning system; (v) foster participatory development and capacity building support to promote an improved enabling environment for the support of the regional development management process (at island, atoll and central government levels).		
Project Rationale and Linkage to Country/Regional Strategy	Poverty in Maldives stems primarily from regional disparities in living conditions related to remoteness of the inlands and lack of infrastructure and social services in the atolls. The island ecosystems are among the most vulnerable, and suffer rapid depletion and pollution of groundwater, pollution of the coastal environment due to inadequate sewage and solid waste disposal, and marine resource depletion. Environmental degradation can render an island uninhabitable, increase its vulnerability to natural disasters, and impact on key economic sectors, particularly tourism and fisheries. Problem analysis reveals that (i) basic infrastructure is largely inadequate on the outer islands to provide safe drinking water, and to prevent groundwater, marine and terrestrial pollution, and health hazards; (ii) regional planning is deficient due to the absence of implementing basic instruments such as land-use and economic planning, and environmental management of resource protection and health preservation; and (iii) management capacity at the regional, atoll, and island levels requires strengthening. The project supports the sixth National Development Plan which highlights that regional development is key to easing the development pressure on Male as well as solving equity problems.		
Impact	The Project's goal is to increase the standard of living in the Central Regions.		
Project Outcome			
Description of Outcome	Improved environmental and land management in the Central Regions		
Progress Toward Outcome	The project is almost fully completed with the sewerage treatment plants established in two focus islands, most of the SWM equipment procured for the SWM centers and most training programs completed. The remaining activities include: (i) procurement of minor machinery, stand-alone survey and monitoring equipment, and reusable bags; (ii) final commissioning tests of the sewerage systems and training by the civil work contractor; and (iii) training programs for community management, financial management and corporate management. To allow completion of these remaining activities, ADB approved an extension of the loan closing date from 30 June 2012 to 31 December 2012. As of September 2012, technical evaluation of minor machinery is on going and the training programs for financial management and corporate management are being awarded.		
Implementation Progress			
Description of Project Outputs	Environmental infrastructure in the Central Regions improved (4Q 2005-3Q 2010) Strengthening planning and environmental management (4Q2005-3Q 2010) Building management and implementation capacity (4Q2005-3Q 2010)		

Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Final commission of the sewerage treatment plants (STPs) will be completed by December 2012 upon minimum house connection achieved. The construction completion certificates, except for minor items and final commissioning, were issued in January 2012 and February 2012 respectively. STPs will be commissioned by 31 December 2012 and an analysis of use and O&M will be undertaken in 2013.</p> <p>The Geo Hydrology Report of 2007 shows that Fonadhoo and Mahibadhoo has total coliform exceeding 100/100ml and faecal coliform averages 10/100ml with some samples exceeding 100/100ml. The Report also shows high levels of ammonia and nitrite. An analysis of groundwater will be repeated in 2013 after the commissioning of the STPs.</p> <p>Health center visits for diarrhea for Mahibadhoo, Fonadhoo, and Naifaru are being collected from the Centre for Disease Control.</p> <p>Environmental awareness and community capacity building has been undertaken through the Project. The 2009 Socio-economic Survey shows 51%, 32%, and 99% of population in Mahibadhoo, Fonadhoo, and Naifaru, respectively in terms of bringing SW to the dumpsites. An analysis of SWM participation will be undertaken in 2013 after the provision of SWM equipment in the three focus islands.</p> <p>Most of the SWM equipment, except for reusable bags, has been provided and the use of SWM and O&M will be monitored in 2013.</p> <p>Environmental awareness and community capacity building have been undertaken specifically on water catchment management. Rain water tank maintenance training will be included in community training and will be completed by 2012. Water consumption in 2009 was recorded at 120 liters per person per day (Design Criteria Report). A comparative analysis will be undertaken in 2013. Different levels of groundwater chloride (around 250) were observed for Mahibadhoo, Fonadhoo, and Naifaru according to the EIAs (2009). A comparative analysis will be undertaken in 2013 pending available funding.</p> <p>Other than the assigned dumping sites, dumping is observed in Fonadhoo specifically beach areas and undeveloped bush areas (Solid Waste Training Report of 2009 documented by consultants). After the provision of equipment to operationalize SWM centers, an analysis of the state of dumping solid wastes will be undertaken.</p> <p>Groundwater analysis has been undertaken and a program for groundwater quality testing as an early warning mechanism will be developed, awaiting water quality monitoring equipment.</p> <p>Community mobilization and participation in land management was undertaken through the land use planning department.</p> <p>A Cooperatives Act has been submitted in 2005.</p> <p>Community support is estimated at 50%, 78% and 75% for tariff payment at the lowest range for Mahibadhoo, Fonadhoo, and Naifaru based on Socio-economic Survey of 2009.</p> <p>Communities were consulted and feedback was incorporated in location and design of infrastructure. Any local construction employment is being documented.</p> <p>Ongoing</p> <p>Long-term training has been undertaken for the Ministry of Atolls, the Environmental Protection Agency, and the Ministry of Housing and Environment. On-the-job training through consultants has also been provided on financial management, water quality survey, socio-economic data gathering, use of total station survey equipment, tools for climate change and practical surveying. Further trainings are ongoing.</p>
Geographical Location	Nation-wide, Fonadhoo, Mahibadhoo, Naifaru
Safeguard Categories	
Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C
Summary of Environmental and Social Aspects	
Environmental Aspects	An initial environmental examination (IEE) was conducted for the Project, which covers the North-Central, Central, and South-Central Regions (Central Regions) of the Maldives. The Project is classified as under category B in accordance with Asian Development Bank (ADB) Guidelines Assessment Environmental. The Project will have no significant negative environmental effect.
Involuntary Resettlement	Common facilities for wastewater and solid waste treatment will be constructed in vacant areas allocated by the Government in accordance with the island's land use plan. The Government has assured that should the Project result in unavoidable involuntary resettlement, a resettlement plan will be made in accordance with ADB's policy on involuntary resettlement.
Indigenous Peoples	There are no ethnic minorities or indigenous people in the project area.
Stakeholder Communication, Participation, and Consultation	
During Project Design	The project will collect baseline information on communities to prioritize them, taking account of the particular needs of structures already set up for community-based management, such as the island development committees and women development committees. Information on communities collected in the process of prioritizing targets will also serve for project monitoring and evaluation.
During Project Implementation	
Business Opportunities	
Consulting Services	The Project will require 141 person-months of consulting services (61 person-months international, and 80 of domestic). Consulting services are required to facilitate project implementation and to strengthen the institutional, administrative and financial capacities of the PMU and PIUs. One consulting firm will provide consulting services for the PMU and the PIUs. One consulting firm will provide consulting services for the PMU and PIUs. The consultants, to be financed under the loan, will be recruited in accordance with ADB's Guidelines on the Use of Consultants using a quality and cost-based selection method and other arrangements satisfactory to ADB for the engagement of domestic consultants.
Procurement	Goods, related services, and civil works to be financed from the loan proceeds will be procured in accordance with ADB's Guidelines for Procurement and Government procurement procedures acceptable to ADB. The Sanitation schemes will be integrated into a combined design and supervision, and supply and construction packages for international competitive bidding. Equipment packages valued at \$500,000 equivalent or less will be procured following international shopping procedures acceptable to ADB, and packages valued at \$100,000 equivalent or less will be under direct purchasing procedures. Civil works contracts for the catchment rehabilitation under the rainwater tank component for values less than \$15,000 equivalent will follow ADB's Guide on Community Participation in Procurement.
Responsible ADB Officer	Cawrse, Pritha H.
Responsible ADB Department	South Asia Department
Responsible ADB Division	Urban Development and Water Division, SARD
Executing Agencies	Ministry of Finance (formerly Ministry of Finance and Treasury) Mr. Ahmed As-ad 66032EXTRES MF/MINFIN@DHIVEHINET.NET.MV Ameenee Magu, Block 379, Male', Republic of Maldives
Timetable	
Concept Clearance	08 Mar 2003
Fact Finding	18 Apr 2004 to 30 Apr 2004
MRM	06 Aug 2004
Approval	28 Apr 2005

Last Review Mission	-
PDS Creation Date	06 Feb 2007
Last PDS Update	28 Sep 2012

Loan 2170-MLD

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
28 Apr 2005	20 Sep 2005	20 Apr 2006	31 Mar 2011	31 Dec 2012	09 Sep 2013

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	7.50		Cumulative Contract Awards			
ADB	6.00		17 Jun 2022	5.37	0.00	100%
Counterpart	1.50		Cumulative Disbursements			
Cofinancing	0.00		17 Jun 2022	5.37	0.00	100%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	Satisfactory	Satisfactory	-	Satisfactory

Project Page	https://www.adb.org/projects/33218-013/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=33218-013
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