

RAPID LIVELIHOOD ASSESSMENT

# IMPACT OF THE COVID-19 CRISIS IN THE MALDIVES

PART I - ECONOMIC OVERVIEW

With support from the National Bureau of Statistics,  
The Maldives National University, Ministry of Tourism,  
Ministry of Fisheries, Marine Resources and Agriculture,  
Ministry of Youth, Sports and Community Empowerment  
and the Ministry of Arts, Culture and Heritage.



Ministry of Economic Development  
Republic of Maldives



## **| CONTACT**

### **MINISTRY OF ECONOMIC DEVELOPMENT**

Boduthakurufaanu Magu, Malé 20125

Republic of Maldives

Phone: +960 3323668

Email: [info@trade.gov.mv](mailto:info@trade.gov.mv)

Website: [www.trade.gov.mv](http://www.trade.gov.mv)

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**CORE ASSESSMENT TEAM**

Shuhad Ibrahim	Ministry of Economic Development
Nashiya Saeed	Consultant
Hussain Jinan	Consultant
Raniya Sobir	UNDP Maldives
Sharfa Shareef	UNDP Maldives

**TECHNICAL ADVISORY TEAM**

Dr Fazeel Najeeb	Assistant Professor	The Maldives National University
Ahmed Munawar	Lecturer	The Maldives National University
Dr Aminath Riyaz	Assistant Professor	The Maldives National University
Neeza Imad	State Minister	Ministry of Economic Development
Ahmed Ifthikhar	Director	Ministry of Economic Development
Shuhad Ibrahim	Consultant	Ministry of Economic Development
Aishath Shahuda	Chief Statistician	National Bureau of Statistics
Aishath Laila	Statistician	National Bureau of Statistics
Aishath Hassan	Statistician	National Bureau of Statistics
Ahmed Irash	Registrar of NGOs	Ministry of Youth and Sports
Mariyam Manarath	Senior Policy Director	Ministry of Finance
Mohamed Khussan	Senior Policy Director	Ministry of Tourism
Aishath Wafa	Financial Consultant	Ministry of Tourism
Fazleena Fakir	Managing Director	Business Center Corporation
Shazleen Ahmed	Director General	Ministry of Arts, Culture and Heritage
Aminath Lubna	Assistant Director	Ministry of Fisheries, Marine Resources and Agriculture
Hussain Faisal	Assistant Director	Ministry of Fisheries, Marine Resources and Agriculture
Zeenath Shakir	IGP Coordinator	UNDP Maldives

## FIELD RESEARCH TEAM

Dr Aminath Riyaz	Research Facilitator	The Maldives National University
Dr Fazeela Waheed	Research Facilitator	The Maldives National University
Zeena Abdul Qayyoom	Research Facilitator	The Maldives National University
Mariyam Neerish	Research Facilitator	The Maldives National University
Fathimath Saeed	Research Facilitator	Economist Consultant
Fathimath Nasiha Abdul Muhaimin	Research Facilitator	The Maldives National University
Dr Aminath Shafiya Adam	Research Facilitator	The Maldives National University
Dr Shazla Mohamed	Research Facilitator	The Maldives National University
Fathimath Shadiya	Research Facilitator	The Maldives National University
Aminath Sudha	Research Facilitator	The Maldives National University
Dr Shaistha Mohamed	Enumerator	Consultant
Mariyam Shaffau Shareef	Enumerator	Consultant
Inan Abdul Muhsin	Enumerator	Consultant
Khadheeja Majidha Hassan	Enumerator	Consultant

## EDITED BY

Melissa Reardon

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# CHRONOLOGY OF EVENTS RELATED TO THE COVID-19 CRISIS IN THE MALDIVES

## 03 February 2020

Restricted entry to all passengers, regardless of nationality—except for Maldivian citizens—who have China as their port of embarkation or have transited through China

## 07 March 2020

First confirmed positive cases of COVID-19 in the country (two tourists)

## 12 March 2020

State of Public Health Emergency declared

## 14 March 2020

Restricted travel from resorts to all inhabited islands of the Maldives, and vice versa, and suspended all check-ins at all guesthouses and city hotels in the Greater Malé Region

## 15 March 2020

Established travel restrictions for passengers originating from, transiting to, or with a travel history in Iran, South Korea, Italy, Bangladesh, Spain, Germany and France

## 17 March 2020

Established travel restrictions for passengers from Malaysia and the UK

.....  
A nationwide shut down of all guesthouses and city hotels

## 19 March 2020

Government offices and schools and education service providers closed

.....  
Suspension of entry of all tourists arriving via safaris, yachts and other passenger vessels

## 20 March 2020

Government announced the Economic Recovery Plan (ERP) of \$162 million, to support businesses and individuals severely impacted by the crisis

## 21 March 2020

All passengers entering the country subject to mandatory quarantine for 14 days

## 22 March 2020

All dine-in services offered by local restaurants and hotels in the Greater Malé Region closed

## 23 March 2020

All tourist excursions across the country banned

## 25 March 2020

Employees at resorts and safari boats are instructed to remain on board for 14 days after the last guest departs

## 27 March 2020

First Maldivian tested positive for COVID-19 while in quarantine facility

.....  
Suspension of on-arrival visa for all passengers arriving to the Maldives by air and sea,<sup>1</sup> except for individuals with special permission granted by the Government

## 2 April 2020

A three-hour (5 pm to 8 pm) curfew in the Greater Malé Region enforced

## 15 April 2020

The first case of community transmission was confirmed in the capital, Malé

.....  
A 24-hour lockdown in the Greater Malé Region announced

<sup>1</sup> Maldivians and spouses of Maldivians who are foreign nationals will be allowed in but subject to quarantine measures.

**16 April 2020**

Ban on nationwide travel and public gatherings

**17 April 2020**

Lockdown extended for a period of 14 days as cases increase

**22 April 2020**

Income support of MVR5,000 under ERP to lodged cases in Job Center portal

**23 April 2020**

Community transmission surpasses 100 cases

**25 April 2020**

The national carrier, Maldivian, commenced delivering cargo to all domestic airports to solve supply issues faced within the atolls

701 foreigners granted clearance to travel back home on evacuation flights

**28 April 2020**

The first community transmission outside of the capital, in an outer atoll, confirmed

**29 April 2020**

First COVID-19 related death: a Maldivian woman of 83 years

**2 May 2020**

Special visas granted to certain parties, such as resort owners and investors, as well as officials from international institutions, to travel to the Maldives

**7 May 2020**

National Taskforce on Resilience and Recovery established by the President to plan recovery

**14 May 2020**

Lockdown extended in Greater Malé Region until 28 May 2020

**29 May 2020**

Lockdown easing measures introduced in the Greater Malé Region in phases

**31 May 2020**

Government offices reopen for essential work with limited hours and staff

**12 June 2020**

Community transmission surpassed 2,000 cases, with 8 fatalities

**15 June 2020**

Nationwide restrictions on travel and public gatherings lifted, except Greater Male' Region

**20 June 2020**

Government announced reopening of borders on 15 July 2020; resorts can resume operations

**1 July 2020**

National Emergency Operation Centre phased out; tasks shifted to the Ministry of Health

Businesses, including offices, shops, cafés and restaurants, reopened on 1 July 2020, adhering to health and safety guidelines from HPA and relevant authorities

**5 July 2020**

Government offices and schools for key stages reopen

**15 July 2020**

State of Public Health Emergency extended

Borders reopen, 40 resorts resume operations

# INTRODUCTION

## BACKGROUND TO THE CRISIS

The World Health Organization declared a COVID-19 pandemic on 11 March 2020. A highly communicable disease caused by a newly discovered coronavirus, COVID-19 first broke out in late 2019 in Wuhan, China.<sup>2</sup> Symptoms include respiratory illness, and severity is dependent on age and underlying medical conditions. The safest way to prevent transmission is by practicing sanitary and respiratory etiquette, as no specific vaccines or treatment have yet been found, despite many ongoing clinical trials.

The first positive cases of COVID-19 emerged in the Maldives on 7 March 2020. The cases were imported cases that originated in tourist resorts. The first case of community transmission was reported in the capital Malé on 15 April 2020 and the Greater Malé Region has been the epicentre of the outbreak with sporadic outbreaks in some of the outer lying atolls. As of 5 August 2020, a total of 4,446 confirmed cases and 19 deaths have been reported, and the mortality rate has been as low as 0.43 percent.<sup>3</sup>

To prevent the transmission of the virus, several restrictions were placed on tourism-related travel into the country. On 3 February 2020, a travel ban was placed on those travelling from China. Since then, travel restrictions were placed on those travelling from high-risk countries or virus hotspots. These restrictions

were further tightened with the cancellation of on-arrival visas for foreigners on 27 March 2020, which effectively closed the country's borders. The country's borders were reopened on 15 July 2020, with 40 resorts resuming operations on the same day.<sup>4</sup>

Since the middle of March 2020, the Government of Maldives has put in place strict containment measures, including closing government offices and education facilities, closing eateries, imposing travel bans to and from resorts, quarantining all incoming travellers to the Maldives, and barring tourists who were transferred to resorts from travelling to any inhabited islands. Since the community outbreak, the Greater Malé Region and several islands were under a 24-hour lockdown with restricted movement, and a nationwide ban on travel and public gatherings was imposed. The lockdown-easing measures were implemented in a phased approach starting at the end of May 2020. Government offices and schools started gradually reopening on 1 July 2020. Travel out of the Greater Malé Region to other atolls remains restricted to essential travel with requirement of 14-day self-isolation upon arrival.

<sup>2</sup> World Health Organization, COVID-19 Situation Report-67

<sup>3</sup> As of 05 August 2020 - <https://worldometers.info>

<sup>4</sup> 15 July 2020, Joint Press Statement by Ministry of Tourism, Maldives Marketing & PR Corporation and Maldives Airports Company Ltd

## PURPOSE OF THE ASSESSMENT AND METHODOLOGY

This report is commissioned by the Ministry of Economic Development, the Government of Maldives. The assessment was completed with support from UNDP Maldives. To address the sensitivity of time and urgent need to understand the context, a preliminary report was released in early June 2020 with initial findings and recommendations. This final report is a compendium of three separate reports. They include: Part I: Economic Overview; Part II: Employment Impact; and, Part III: Impact on MSMEs.

The rapid assessment aimed to understand the extent and nature of the impact of the COVID-19 crisis on the Maldivian economy. More specifically, the assessment covers the impact on employment and Micro, Small and Medium Enterprises (MSMEs). The overall purpose of the assessment was to support timely economic response and recovery planning for the Maldives. This report summarizes the key information and key findings from Part II and III.

This report, Part I of the Rapid Livelihood Assessment, provides an overview of key economic sectors. The data presented below offers a pre-COVID-19 baseline context of the economy, with updates of available administrative data, that attempts to capture the onset and impact of the crisis on key economic sectors from February 2020 onwards. A deeper look at the impact of the crisis on tourist establishments and their operations is covered in subsequent sections of this report. The analysis highlights relevant policy responses that have been put in place in response to the crisis.

To guide the direction and scope of the assessment, and to provide technical support and quality assurance to the data collection, a technical team composed of key partners was formed (see list of technical members above). The technical team met regularly and has to date provided support to develop the assessment methodology, data collection tools and provided quality assurance on reporting and analysis.

The assessment methodology applied a mixed-method approach and utilized quantitative and qualitative data. The assessment attempted to cover overall impacts of the crisis on employment and businesses across all economic sectors through secondary data that was available. Primary data collection and in-depth analysis of the assessment focused primarily on the tourism sector. Tourism sector impacts were explored in detail as it is the largest industry and the largest source of private sector employment in the economy and it is the industry which was exposed to the COVID-19 crisis from its onset in February 2020.

For the Part II of the assessment, to understand employment impacts of the COVID-19 crisis, key secondary data sources that were reviewed and analysed include the latest tourism employment data shared by the National Bureau of Statistics and dataset extracted from the Government's online job portal, JobCenter.mv covering 7,500 individuals across all economic sectors. The Government's online job portal hosted by the Ministry of Economic Development is the primary avenue for lodging complaints concerning COVID-19 related employment impacts and for seeking income support from the Government's relief programme. Primary data collection undertaken for the Part II of this assessment include (i) phone survey with management level respondents covering a total of 34 resorts out of 40 sampled, which were completed during April to June period. The 34 resorts interviewed employs 30 percent of the total employee population of the resort establishments in the Maldives and (ii) in-depth key informant interviews with 30 resort employees registered in JobCenter.mv covering 13 resorts were completed during the last week of April 2020. The detailed sampling strategy for the selection of respondents for the resort management survey and the in-depth interviews with employees are provided in the Appendix of the Part II of this publication.

For the Part III of the assessment exploring the impact of the crisis on MSMEs, a key secondary data source that was used was the MSME baseline survey data collected by the Business Center Corporation (BCC) from March to April 2020. The baseline survey was undertaken across all economic sectors and across all regions of the Maldives. Other secondary data reviewed include the various surveys and reports published by business associations.<sup>5</sup> Primary data collection undertaken for the assessment include 67 in-depth key informant interviews and focus group discussions covering MSMEs in the tourism value chain was completed during the period mid-June to early July 2020. The detailed sampling strategy for identifying respondents for the in-depth interviews with businesses are found in the Appendix of the Part III of this publication. Other aspects of the methodology including limitations are detailed in Part II and III of the publication.

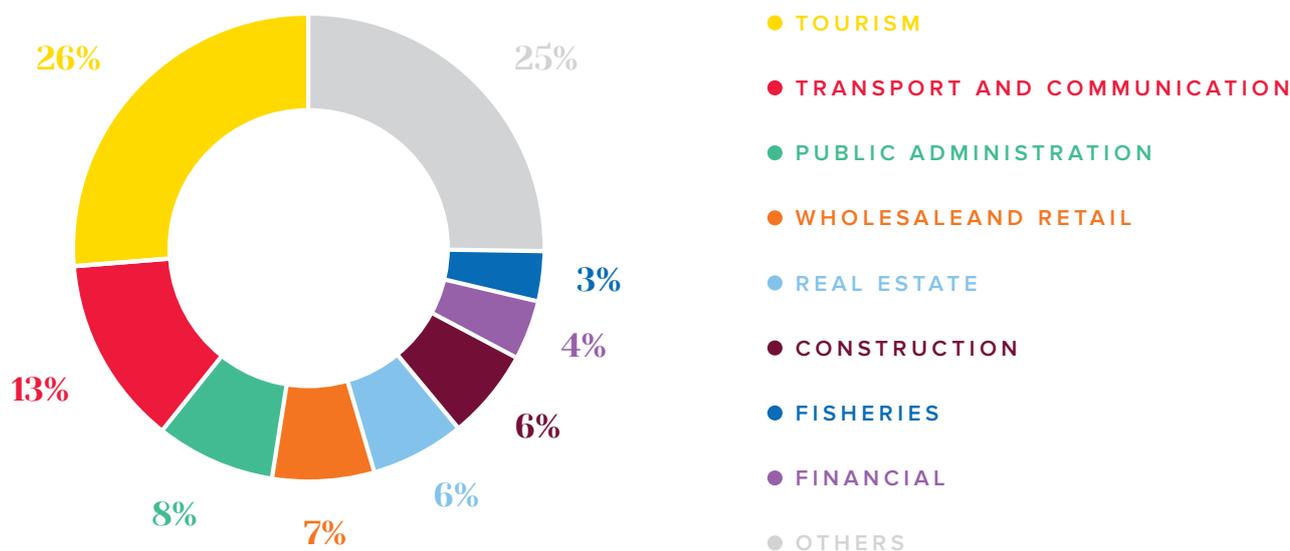
The final reporting of this assessment was undertaken during July to early August 2020. The draft report was reviewed by the technical advisory team members, members of the UN Maldives Socio-Economic Working Group on COVID-19 and technical experts at the UNDP Global Policy Network (GPN) and thematic experts at the UNDP Bangkok Regional Hub (BRH). Editing and additional quality assurance support was provided by the UNDP BRH and UNDP Maldives.

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<sup>5</sup> Includes reports from National Boating Association of Maldives, Maldives Association of Travel Agents and Tour Operators and Guest House Association of Maldives.

# THE ECONOMY-WIDE IMPACT OF COVID-19

Figure 1 GDP composition 2019



Source: National Bureau of Statistics

## MACROECONOMY AND A REVISED GROWTH PATH

The Maldivian economy is primarily based on tourism and tourism-related sectors. The percentage share of tourism sector to GDP in 2019 was approximately 26 percent (Figure 1). The second largest industry is tourism-related: transport and communication, which accounts for 13 percent of GDP. Public administration is the third largest contributor to GDP with 8 percent, followed by the wholesale and retail sector with a 7 percent share. Real estate and the construction industry each contributed to 6 percent of the GDP.

Primary industries, including fisheries and agriculture, contributed to 4.6 percent of the GDP; secondary industries, such as manufacturing, electricity, water, and construction contributed to 10.7 percent; while tertiary industries, including tourism, transport and communication, real estate, public administration and other services contributed to 74.2 percent of the GDP during 2019. The GDP at basic prices are highest during the first and last quarters, when tourism revenues were the highest.<sup>6</sup>

Table 1 Summary of GDP forecasts – Maldives

FORECASTED FALL IN GDP FOR 2020	BEST CASE SCENARIO	WORST CASE SCENARIO
Government of Maldives (24 April 2020)	-11.5%	-29.7%
International Monetary Fund (16 April 2020)		-8.1%
The World Bank (12 April 2020)	-8.5%	-13%
Government of Maldives (18 April 2020)	-7.7%	-17.7%
Asian Development Bank (6 March 2020)	-1.4%	-4.1%

<sup>6</sup> Quarterly National Accounts – Quarter 4 2019, National Bureau of Statistics

The economy has been experiencing positive growth rates in recent years. The GDP growth rate was 6.9 percent in 2018, 5.3 percent in 2019 and the medium-term forecasts estimated a growth rate of 7.5 percent in 2020, 6.3 percent in 2021, and 6.2 percent 2022.<sup>7</sup> However, given the exposure of the tourism sector and the overall economy to the current crisis, the Maldivian economy is expected to contract significantly in 2020. The latest forecasts by the Ministry of Finance anticipate a contraction in GDP in the range -11.5 percent to -29.7 percent in a worst-case scenario.<sup>8</sup>

Table 1 summarizes the various GDP forecasts that have been carried out by the government and International Financing Institutions (IFIs). The World Bank and the Asian Development Bank estimate the Maldives to be among the countries hardest hit in the South Asia region and the Asia-Pacific region.<sup>9</sup> The World Bank and the International Monetary Fund (IMF) project a recovery in the Maldives economy in 2021 in the range of 6.3 percent and 13.2 percent, and positive figures for 2022.<sup>10</sup> The forecasts presented in Table 1 show variations as they were produced at different stages of the crisis, and the assumptions used for the calculations varied depending on the impact of the crisis and measures taken to mitigate impacts.

Prior to the Covid-19 crisis, the Maldives was already challenged, with an unstable macro-economic environment. The International Monetary Fund estimated the 2018 fiscal deficit (including grants) at 4.3 percent of GDP, compared to 3 percent of GDP in 2017. Public and publicly guaranteed debt continued to increase to over 70 percent of GDP in 2018.<sup>11</sup> The IMF debt sustainability assessment categorized the Maldives to have a high risk of debt distress.

Due to the COVID-19 crisis, the total government revenue is expected to fall by 49 percent in 2020, a drop of approximately US\$1 billion. With the increased spending to mitigate COVID-19 impact, the budget deficit for 2020 is projected to reach \$841 million.<sup>12</sup> As the spending on health sector increases, the Government has been taking measures to reduce the overall spending (see Appendix I). These measures have allowed for the Government to make an allocation of \$97 million for health expenditure and \$162 million for

economic relief assistance to mitigate the impacts of the crisis. According to the Ministry of Finance, the financing requirement for the year 2020 is \$964 million, of which \$296 million has been secured and approximately \$273 million is in the pipeline and will be raised in the last two quarters of this year. To cover the unsecured financing gap of \$395 million, work is ongoing for the issuance of a privately placed \$300 million bond/sukuk in the upcoming months.<sup>13</sup>

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<sup>7</sup> Fiscal and Macroeconomic Outlook - BIS 2020-Draft, Ministry of Finance, Government of Maldives

<sup>8</sup> Impacts of COVID-19 on Maldivian Economy and Government Revenues and Response Measures, Ministry of Finance, Government of Maldives

<sup>9</sup> The Economic Impact of the COVID-19 Outbreak on Developing Asia, ADB Briefs, Asian Development Bank

<sup>10</sup> World Economic Outlook - April 2020, International Monetary Fund

<sup>11</sup> International Monetary Fund. 2019. Maldives 2019 Article IV Consultation—Press Release; Staff Report; And Statement By The Executive Director For Maldives. IMF Country Report No. 19/156.

<sup>12</sup> Official government figures from Management of Public Finance Impact of COVID-19, Ministry of Finance, Press Release March 2020.

<sup>13</sup> Ministry of Finance. Press Release - Management of Public Finance Impact of Covid-19, 25 May 2020

# THE TOURISM SECTOR – THE GROWTH DRIVER OF THE ECONOMY COMES TO A STANDSTILL WITH LASTING IMPACTS ON THE ECONOMY AND PEOPLE

## TOURISM SECTOR: KEY TRENDS AND DIRECT EXPOSURE TO THE CRISIS

The tourism sector has been expanding steadily over the past years. At the end of March 2020, there were 955 tourist establishments in operation, including 155 resorts, 13 hotels, 629 guesthouses, and 158 safari vessels.<sup>14</sup> A total of 15 resorts were newly operational in 2019 and an additional 3 resorts were operational by January 2020.<sup>15</sup> According to the Maldives Population & Housing Census 2014, the tourism industry engages more than one fifth of the employed population.<sup>16</sup>

Figure 2 Tourist arrivals

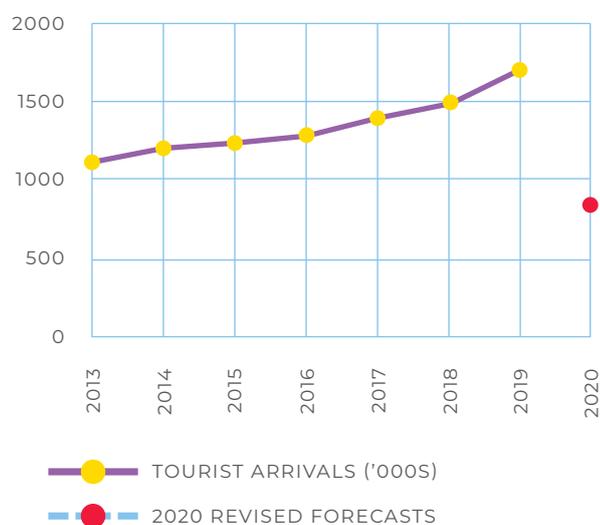
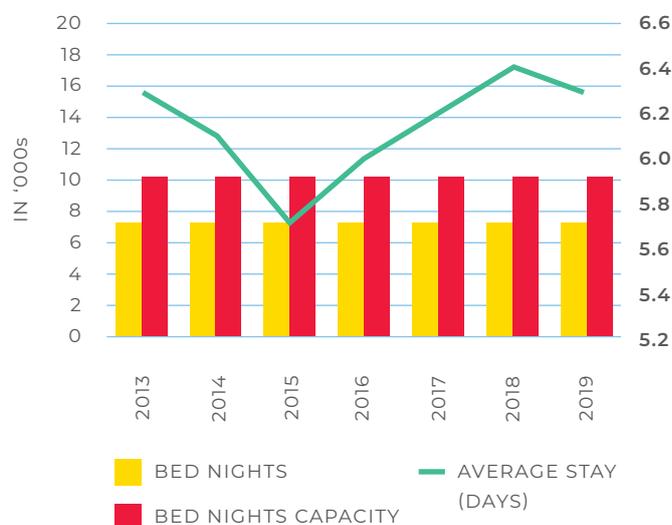


Figure 3 Tourist bed nights, bed capacity & stay



Source: Ministry of Tourism and Ministry of Finance<sup>17</sup>

Tourist arrivals have been steadily increasing since 2013 (Figure 2), together with an increase in bed nights (Figure 3). The upward trend of tourist arrivals and bed nights were well catered for by the increases in bed night capacity throughout the period 2013-2019. Average stay has been maintained within the range of 6.2 to 6.4 for the last three years (Figure 3).

<sup>14</sup> Monthly Updates- February 2020, Ministry of Tourism, Government of Maldives

<sup>15</sup> Monthly Statistics- March 2020, Maldives Monetary Authority

<sup>16</sup> Maldives Population & Housing Census 2014, Statistical Release: IV Employment, National Bureau of Statistics

<sup>17</sup> Tourist arrivals for 2020 shows range of revised forecasts by the Government based on five scenarios of crisis impact and the recommencement of tourism industry during the year

The Government of Maldives estimated an 8 percent growth in the tourism industry in 2020. Arrivals increased in January 2020 compared to December 2019, but since then fell by 13.2 percent in February and by 60 percent in March 2020. Due to the travel restriction measures undertaken by the government in response to COVID-19 and the eventual border closure that took place at the end of March 2020, the occupancy rate for March 2020 stood at 35.6 percent.<sup>18</sup> Total arrivals in first quarter of the year was 392,675 visitors, a 20.8 percent decline from the same period in 2019. Due to the border closure, there were no new tourist arrivals in April 2020, but 50 establishments were operational with an occupancy rate estimated at 2.6 percent<sup>19</sup> as visitors were unable to fly back, due to international border restrictions. The government announced reopening of the borders on 15 July 2020 and current forecasts show that the industry will experience a 50 percent decline in tourist arrivals for this year, with new estimates suggesting that the Maldives will have approximately 850,000 tourists in total this year.<sup>20</sup>

## COVID-19 IMPACT ON TOURISM BUSINESSES – EARLY FORECASTS BY BUSINESS ASSOCIATIONS (MARCH-APRIL 2020)

An early assessment carried out by the Guesthouse Association of Maldives (GAM) indicated that the guesthouse segment of the Maldives tourism industry (which includes more than 600 establishments on inhabited islands) generated US\$43 million in 2019. The assessment report estimated that guesthouses would incur an aggregate loss of \$28.9 million in the next 6 months.<sup>21</sup> Similarly, a survey focused on live-aboard operators estimates a monthly requirement of \$3 million for 125 registered safari boats to cover monthly expenses; mainly staff salaries and allowances, maintenance, fuel, and loan repayment cover: a liability absorbed by 80 percent of the operators.<sup>22</sup> The Maldives Association of Travel Agents & Tour Operators (MATATO) reported in March 2020 that the 135 active tour operators in the country are expected to lose a total revenue of \$100 million in the next 6 to 8 months. According to the report, local tour operators and destination marketing organizations generated a 35 percent average market share of tourist arrivals in the past five years and employ more than 2500 workers.<sup>23</sup> The detailed impact of the crisis on businesses in the tourism value chain are explored in Part III of this assessment.

<sup>18</sup> Monthly Updates - March 2020, Ministry of Tourism

<sup>19</sup> Monthly Updates – April 2020, Ministry of Tourism

<sup>20</sup> Impacts of COVID-19 on Maldivian Economy and Government Revenues and Response Measures, Ministry of Finance

<sup>21</sup> COVID-19 Survey, Guest House Association of Maldives

<sup>22</sup> Financial Impact on Liveaboard Owners/Operators due to COVID-19 – Summary Report, National Boating Association of Maldives

<sup>23</sup> Impact on Local DMCs (Preliminary Report – COVID-19), Maldives Association for Travel Agents & Tour Operators

## AN IN-DEPTH LOOK AT RESORT ESTABLISHMENTS AND THE IMPACT OF COVID-19 ON OPERATIONS

*The findings discussed in this section uses data gathered from the resort management survey conducted as part of this assessment.*

**The first signs of the pandemic's impact on resort operations was linked to the suspension of travel between China and the Maldives on 3 February 2020.<sup>24</sup>**

Findings of the resort management survey show that, out of the surveyed resorts, 47 percent identified China amongst their top 5 arrival markets. Flight suspensions between China and the Maldives did not affect most survey resorts. However, of the resorts that were highly dependent on the Chinese market, 35 percent said they were significantly affected by the Chinese flight suspensions, especially due to travel restrictions coinciding with the arrival of Chinese New Year holidaymakers. Selected resorts reported that, even with a high dependency on Chinese markets, they did not experience a major impact initially, as there were some guests who opted to stay for a longer duration.

For those resorts that experienced impacts from flight suspensions between China and the Maldives, the largest was felt in bookings cancellations. Some guests attempted to postpone their bookings, while others were cancelled immediately, and cancellation fees were not charged by some resorts. For most, the impact was felt from mid-February onwards and throughout March 2020. Resorts experienced difficulties with guest departures, as the guests who were on the resort faced difficulty in getting airline tickets to travel back to their resident countries, due to decreased airline activity. At the time of the survey, resorts expressed that they were maintaining on-going and open communications with travel agencies, to ensure flexibility with requested booking changes.

**Confirmed positive cases of COVID-19 infection emerged in tourist resorts, which brought about increased surveillance and disruptions to resort operations.**

The first confirmed case of infection in the Maldives emerged on a tourist resort on 7 March 2020.

Containment measures in response to this included increased surveillance and testing across resorts operating in the country. The resort management survey gauged some of the direct impacts of this on operations.

According to the survey participants, 32 percent of resorts experienced lockdown or monitoring status by the Health Protection Agency (HPA) due to a suspected case. This resulted in guest and staff quarantine and the implementation of isolation areas within the resort itself. The lockdown or monitoring status brought about restricted movement of staff and guests to and from resorts, including difficulties handling guest transfers to and from the airport. Other stated impacts included resorts having to extend the stay of visitors until test results came through, sending guests to other properties with free meals, holiday extensions, and addressing staff concerns. Resorts experienced challenges in operating properties that had shared operational arrangements, due to the restrictions in movement.

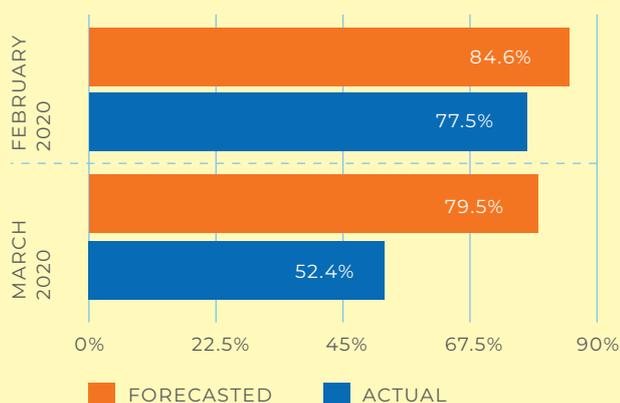
As part of the containment measures, in mid-March 2020 the government introduced a travel ban to and from resorts (except transfers to the airport). Findings from the resort management survey highlight some of the challenges that resorts faced due to this containment measure. These include the short timeframe given for resorts to manage the situation<sup>25</sup>; restricted movement of staff to attend personal and family emergencies; restrictions on the ability of staff to return to work for those on leave; restrictions on weekly and daily commutes of workers between resorts and their homes on inhabited islands; relocation of off-site staff to onsite, to overcome travel challenges which, in turn, created

<sup>24</sup> Restricted entry to all passengers, regardless of nationality—except for Maldivian citizens—who have China as their port of embarkation or transited through China.

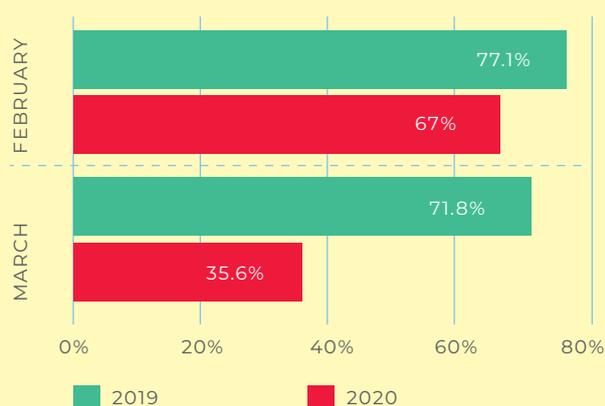
<sup>25</sup> less than 3 hours given to arrange transfers for resort employees who were away in Malé and other islands.

crowding and decreased morale amongst staff. Resorts reported additional costs that were incurred for having to manage employees onsite, and for covering costs of staff transfer for those going on leave during this period.

**Figure 4 Forecasted and actual occupancy rate from survey resorts and occupancy data published by MoT**



Occupancy rate - survey (32 resorts)



Occupancy rate published by MoT

**Resort occupancy falls during February and March 2020.**

With the onset of the crisis globally, visitors grew concerned of the local situation, which led to a fall in arrivals and occupancy. The forecasted average occupancy rate amongst the survey resorts for February 2020 was 84.6 percent, and for March 2020, 79.5 percent. However, there was a decline of 8 percent and 34 percent in actual occupancy rates of that forecasted in February and March 2020 respectively, amongst the surveyed resorts (Figure 4). The survey results show that the occupancy rate of resorts is significantly higher than the occupancy rate recorded across all types of establishments combined (Figure 4).

**Initial impacts compounded by the eventual closure of the industry.**

While the initial impacts in February and early March resulted in a fall in occupancy, logistical challenges and additional costs to operations, at the end of March 2020, the country’s border was closed and on-arrival tourist visas were suspended, bringing 95 percent of tourism resort operations to an unforeseen standstill. Findings from the resort management survey showed that, at the time of the interview, 62 percent of the surveyed resorts planned to shut down completely, with only daily maintenance works ongoing for the three months, April – June 2020. About 10 percent of resorts reported that they would continue to operate during the same period, with some long stay visitors who had been on the resort since before the on-arrival visa suspension was announced. About 21 percent of resorts planned to undertake some renovation work during the same period. Some resorts, particularly those affiliated with international chains, noted that they did not want to cease operations, out of concern for the resort’s brand and reputation.

The resort management survey indicated that an average revenue loss of \$4 million is anticipated during the resort closure period. However, this varies significantly across resorts, depending on their Average Daily Rate (ADR). The majority of the survey resorts (57 percent) expressed uncertainty as to when operations would normalize. According to some, it depended on when the government would reopen borders and start issuing on-arrival visitor visas as, at the time of the survey, border opening dates were not yet announced. About 21 percent of the surveyed resorts anticipated operations to improve at the earliest by July 2020, while another 24 percent anticipated it to be around September/October. Likewise, 24 percent of resorts predicted operations to normalise by around the new year period of this year. The government subsequently reopened borders from 15 July 2020 for international arrivals. However, only 25 percent of resorts officially resumed operations on that date. More than 93 percent of the resorts are scheduled to reopen by the end of October 2020.<sup>26</sup>

<sup>26</sup> Opening dates of Resorts (post Covid operation), Ministry of Tourism

## POLICY RESPONSES AND RESUMING TOURISM IN THE NEW NORMAL

In response to the impact of the crisis on the tourism sector, several direct policy measures were taken to mitigate the negative impact on the country's main industry. On 15 March 2020, the Bank of Maldives (BML) together with the Ministry of Tourism and the Maldives Association of Tourism Industry (MATI) introduced a short-term financing facility of up to \$2 million for tourism establishments. The COVID-19 Recovery Loan Scheme under the government's ERP included a maximum loan amount of MVR 7.7 million for resorts, and MVR 500,000 for guesthouses. On 21 May 2020, the President announced the deferment of all resort lease payments for six months<sup>27</sup> to be paid back within a year, starting from June 2021 in quarterly or monthly instalments.<sup>28</sup>

With plans to enable resorts to resume operations from 15 July 2020 and city hotels and guest houses from August 2020 onwards, the Ministry of Tourism published the 'Guideline for Restarting Tourism in Maldives'.<sup>29</sup> These guidelines mandate that tourist establishments train staff on health and safety, and establish approved safety plans and isolation arrangements on site.<sup>30</sup> The Ministry also urged establishments to reinstate laid off workers. Furthermore, the Ministry has established the Tourism Information Management System (TIMS) portal to collect streamlined tourism statistics.<sup>31</sup>

To restore confidence in the Maldives tourism industry, business actors and tourism-related business associations held several online marketing events with virtual tours to actively engage tourists and tour operators throughout the world. The table below outlines some of the planned actions reported by resort managers in the resort management survey to restore confidence and to transition operations in the new normal context.

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<sup>26</sup> Opening dates of Resorts (post Covid operation), Ministry of Tourism

<sup>27</sup> Press Release 20 May 2020, The President's Office

<sup>28</sup> Deferral of rents paid to government due to COVID-19, Ministry of Finance

<sup>29</sup> No additional charges levied, or mandatory testing required for tourists to enter the country, but they may be included in a random testing sample conducted by health officials

<sup>30</sup> Guideline for Restarting Tourism in Maldives, Ministry of Tourism

<sup>31</sup> Tourism Information Management System, Ministry of Tourism

**Table 2 Measures to be taken by resorts in the new normal**

<b>SALES AND MARKETING</b>	<ul style="list-style-type: none"> <li>● Increased flexibility to accommodate markets based on global travel situations</li> <li>● Market diversification by investing more on strong markets</li> <li>● Active ongoing research on market information and target, depending on country border openings</li> </ul>
<b>CLEANLINESS AND HYGIENE</b>	<ul style="list-style-type: none"> <li>● More attention given to hygiene, with increased awareness programs</li> <li>● Hygiene and cleanliness for third party contractors and casual employees</li> <li>● Safety and hygiene practices for those directly affected by COVID-19</li> </ul>
<b>CORPORATE DECISION MAKING</b>	<ul style="list-style-type: none"> <li>● Some local resort chains and globally recognised brands of international hotel chains follow decisions made at corporate head office level; resort general managers contribute to decisions, but do not make the final call</li> <li>● Some international hotel chains with umbrella companies have developed corporate-level Business Continuation Plans (BCP), following the COVID-19 crisis, (which typically includes areas such as health and safety, working capital management and contingency plans).</li> <li>● Not all resorts have been well prepared for contingency decision making.</li> </ul>
<b>CRISIS MANAGEMENT AND CONTINGENCY</b>	<ul style="list-style-type: none"> <li>● Formulate new policies to handle future pandemics</li> <li>● Understanding and managing the expectations of tourists to travel after COVID-19 would be important for future operations</li> <li>● Most resorts aren't ready to deal with a crisis; capacity building and planning to deal with such crises will be important.</li> </ul>

Source: Resort Management Survey – Rapid Livelihood Assessment

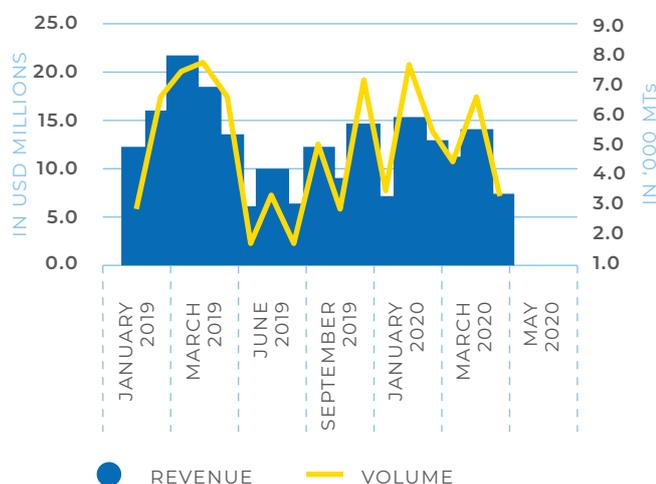
# DIRECT EXPOSURE, SPILL OVER EFFECTS AND RESPONSES TO THE CRISIS IN OTHER ECONOMIC SECTORS

## FISHERIES

In 2019, the fisheries sector contributed an average of 3 percent of the GDP.<sup>32</sup> However, this estimate does not include the value of the fish processing industry, which is captured in the manufacturing sector. Fish is also one of the main exports of the Maldives. The most recent Household Income and Expenditure Survey (HIES) estimates that the sector contributes to 6.7 percent of total employment, with men dominating 97 percent of the employment in the industry.<sup>33</sup>

The quantity of fish caught in the country has been increasing year on year since 2015, with an annual increase of 10.8 percent observed in 2017, and 5.5 percent in 2018. A total of 679,411 metric tons of fish have been caught in the five years of 2014-2018, with an average of 135,882 metric tons per year. This corresponds to an increase in the volume of fish purchases over the past four years, with skipjack tuna contributing significantly to the volumes purchased. The main types of fish catch and exports in the country are skipjack tuna, yellow fin tuna, and bigeye tuna.

**Figure 5 Fish export earnings and volume**



Source: Maldives Monetary Authority

Fish export volumes averaged 56,854 metric tons in the past five years, with highest volumes of 72,000 metric tonnes exported in 2017. The value of exports averaged US\$157.8 million in the same period, with \$193.1 million reported in 2017. In 2019, fish export value and volume of exports was higher during the first quarter of the year, complementing the fish purchase trends. The highest value of exports, \$21.8 million, were received in March and the largest volume of fish were exported in April 2019 (Figure 5).

**Table 3 Fish purchases (tonnes) for January - May**

2018	2019	2020
32,196.6	36,600.3	27,679.4

Source: Maldives Monetary Authority

Fish exports and fish purchases have been directly affected by the COVID-19 crisis. The value of fish exports declined by 46 percent in March 2020 in annual terms, before slightly increasing in total value in April 2020, then declining by a further 46 percent in May 2020. Since January 2020, the volume of exports dropped drastically, although in April 2020 there was an increase.<sup>34</sup>

<sup>32</sup> Quarterly National Accounts – Q4 2019, National Bureau of Statistics

<sup>33</sup> Statistical Release III: Employment, Household Income and Expenditure Survey 2016, National Bureau of Statistics

<sup>34</sup> Monthly Statistics – June 2020, Maldives Monetary Authority

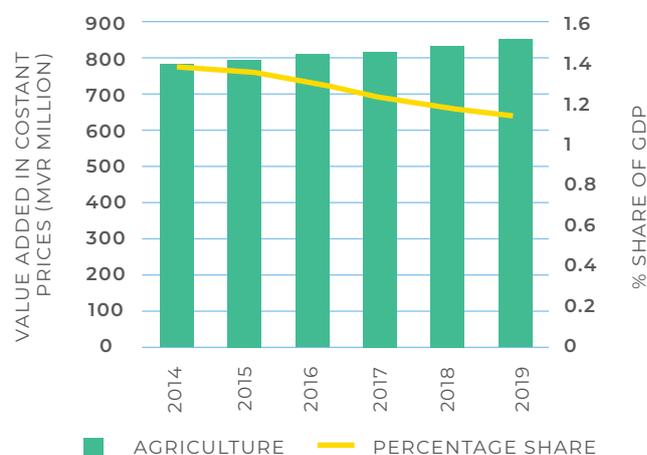
The decline and recovery of fish export earnings was associated with a decline in export volumes (see Table 3) and due to fluctuations in international fish prices. In February 2020, international market prices of yellow fin tuna, based on Spain Mercamadrid Fresh Market prices, decreased by 40 percent compared to January 2020. Skipjack tuna and bigeye tuna prices increased during this time, based on Bangkok and Japanese market prices, respectively. The following month, yellow fin tuna and skipjack tuna prices rose, while bigeye tuna prices declined. These prices remained stable in April 2020, but further declined in May 2020.<sup>35</sup>

In response to the COVID-19 crisis, on 17 March 2020, the Ministry of Fisheries, Marine Resources and Agriculture announced a MVR 100 million loan facility, targeting the fish exporting businesses to meet working capital requirements.<sup>36</sup> Industry players other than exporters are supported by relief packages under the ERP and, as of 25 June 2020, 16 loan applications from fisheries sector, worth a total of MVR2.9 million, were approved by SDFC.<sup>37</sup> Work on the development of an 800-tonne fish storage facility was announced by the President during a press conference during late March 2020.

During the lockdown of the Greater Malé Region, from April to end of June 2020, fishing vessels were allowed to go fishing in open waters. The Malé City Council facilitated the sale and distribution of fish caught throughout the Greater Malé Region. The local fish market in Malé was reopened by the end of June 2020, with safety measures in place and permits being issued to fishermen wishing to sell their catch.<sup>38</sup> Large fish processing businesses actively contributed to meet the demand for fish from households in the Greater Malé Region during lockdown.

## AGRICULTURE

Figure 6 Agriculture sector overview



Source: National Bureau of Statistics

The contribution of the agriculture sector to GDP averages at 1.3 percent for the period 2014-2019 (Figure 6). The overall share of GDP in 2019 was at 1.14 percent, and production numbers similar to those of 2018.<sup>39</sup> The latest HIES reports estimate that the agriculture and forestry sector contributes to 2.3 percent of employment.<sup>40</sup>

The Maldives imports over 90 percent of its food supplies.<sup>41</sup> Fish is the only food source for which the country is self-sufficient. Tuna and other types of reef fish are consumed daily, placing the country amongst the highest per capita fish consumers in the world. Agricultural produce has not reached sustainable production numbers, due to various bottlenecks experienced in logistics, production scale and costs, access to financing, etc.

<sup>35</sup> Ibid.

<sup>36</sup> 100 million MVR loan facility to be arranged for fish exporters, Ministry of Fisheries, Marine Resources and Agriculture

<sup>37</sup> COVID-19 Recovery Loan Scheme for SMEs, Ministry of Finance

<sup>38</sup> Fishing Permit, Faseyhagulhun Malé City Council

<sup>39</sup> Quarterly National Accounts – Q3 2019, National Bureau of Statistics

<sup>40</sup> Statistical Release III: Employment, Household Income and Expenditure Survey 2016, National Bureau of Statistics

<sup>41</sup> FAO. 2019. Country Gender Assessment of Agriculture and the Rural Sector in Maldives. Malé.

Commercial agriculture is mainly practiced by men and is dominated by high-value crops such as banana, papaya, chili, cucumber and pumpkin, mostly targeted to the resort market.<sup>42</sup> Meanwhile, women outnumber men as registered farmers; 52 percent of the registered farmers across the country are female subsistence farmers, this being the main livelihood for rural populations.<sup>43</sup> Subsistence agriculture, both in home gardens and, to a limited extent in plots outside of the home area, provides a variety of produce, ranging from traditional starchy crops to fruits and vegetables, and is a vital source of non-food items such as timber and cordages. Home gardens play a vital role in rural livelihoods, food security and income generation. Given the geographic make-up of the country, food trade, storage and distribution play a critical role in the access and availability dimensions of food security.

In response to the food supply disruptions resulting from the COVID-19 pandemic, the government has decided to accelerate its plans to revive the agricultural sector, to enhance revenues generated and address the food security of the country. As such, 17 crops have been identified under the Import Substitution Programme to be produced on 44 islands dedicated for contract farming.<sup>44</sup> The crisis exposed the country's food import dependency and food insecurity status, as the government chartered international flights to Thailand, UAE and Sri Lanka to avert food shortages. The government has called upon citizens to restart farming practices and offered guaranteed purchase of produce at predetermined prices. Sparse land available in islands has been designated for farming, rent-free for three years. A platform for farmers to market and sell their produce through the newly established state-owned enterprise, Agro National Corporation Pvt Ltd has been enabled.<sup>45</sup> To accelerate agricultural production in the Greater Malé region, an open call was made for citizens to participate in a Urban Gardening Program which will establish model gardens in open spaces, with assistance provided by the government.<sup>46</sup> The government has deferred lease payments for six months for islands and land that have been leased for agricultural purposes.<sup>47</sup> Many island and atoll councils have released land and provided additional concessions to support the expansion of agricultural produce.<sup>48</sup>

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<sup>42</sup> Ibid.

<sup>43</sup> Registered Farmers, Ministry of Fisheries, Marine Resources and Agriculture

<sup>44</sup> Ministry of Fisheries, Marine Resources and Agriculture, Government of Maldives

<sup>45</sup> AgroNat or Agro National Cooperation Pvt Ltd is a government-led corporation to develop the agriculture sector, guaranteeing purchase and establishing a supply chain creation platform<sup>39</sup> Quarterly National Accounts – Q3 2019, National Bureau of Statistics

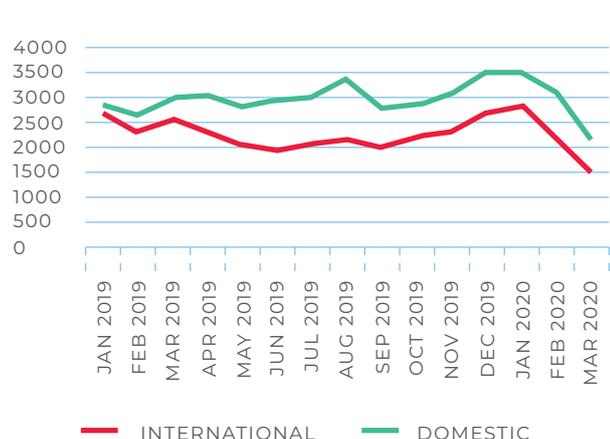
<sup>46</sup> Announcement – Open Gardening Program, Ministry of Fisheries, Marine Resources and Agriculture

<sup>47</sup> Press Conference 23 May 2020, Ministry of Finance

<sup>48</sup> COVID-19 Recovery Loan Scheme for SMEs, Ministry of Finance

## TRANSPORT AND COMMUNICATIONS

**Figure 7 Flights at Velana International Airport 2019-2020**



Source: Maldives Airports Company Limited

**Figure 8 Cargo movements in 2019-2020**



Source: Maldives Airports Company Limited & Maldives Ports Limited

Transport and communications accounted for 13 percent of the GDP in 2019 and is the second largest economic sector.<sup>49</sup> The employment contribution of the sector is estimated at 11 percent of the total employed workforce,<sup>50</sup> with an 89:11 men to women employment ratio, as per the data reported in the latest population census.<sup>51</sup>

Total aircraft movements have been increasing since 2015, with a significant upsurge of 53 percent from 2017 to 2018, mainly from increased domestic flights.<sup>52</sup> Aircraft movement for domestic and international travel are positively correlated and increases during tourist peak seasons (Figure 7). Total airline traffic into the country declined by 48 percent annually during January-April 2020.<sup>53</sup> The International Air Transport Association (IATA) predicts a 40 percent annual decline in passenger flights in 2020, due to halted operations and reduced demand.

Available data for 2019 shows that cargo movements by sea and air are correlated, and move together with a slight lag in cargo by sea (Figure 8). Air cargo data indicates highest numbers in the month of April in 2019. Cargo movements by sea peaked in the month of January in 2019. Quantities of air cargo are more significant than cargo movements by sea.

A significant indicator of transport activities is the import of petroleum products. On average, petroleum product import amounts to 14 percent of total imports over the last five years. Imports of other transport-related materials, such as transport equipment and parts, machinery, and mechanical appliances and parts, made up around 16 percent of the total imports over the same five-year period. Available monthly imports data (Figure 9) shows a decline in all types of imports of petroleum products since March 2020 and a drastic decline of petroleum products in May 2020.<sup>54</sup>

<sup>49</sup> Quarterly National Accounts – Q4 2019, National Bureau of Statistics

<sup>50</sup> Quarterly National Accounts – Quarter 4 2019, National Bureau of Statistics

<sup>51</sup> Maldives Population & Housing Census 2014, Statistical Release: IV Employment, National Bureau of Statistics

<sup>52</sup> Statistical Yearbook of Maldives 2019, National Bureau of Statistics

<sup>53</sup> Monthly Statistics- May 2020, Maldives Monetary Authority

<sup>54</sup> Ibid.

**Figure 9 Import of Petroleum products 2019-2020**

Source: Maldives Customs Services

During the COVID-19 crisis, the national airline carrier, Maldivian, organized chartered flights to neighbouring countries and across atolls to assure transport of staples and essential supplies. International flights supported local food importers, suppliers and helped to repatriate locals abroad. The Velana International Airport (VIA) continued airport development initiatives, worked on the new cargo terminal and also on preparatory measures to re-open full operations on 15 July 2020. Maldives Airports Company Limited (MACL) has offered phased incentives on airport charges to international airlines to ease the resumption of passenger flights.<sup>55</sup>

The Maldives Civil Aviation Authority (MCAA) published an operational safety circular for domestic and international airlines, aircraft operators, and relevant authorities on 27 June 2020. It outlined health and safety procedures to be followed for arriving and departing passengers, including procedures for wearing masks and the completion of an online Health Declaration Form, among others.<sup>56</sup> The Ministry of Transport and Civil Aviation noted that they received frequent requests for landing clearance for chartered flights to domestic airports in the country. Plans are therefore being made to convert domestic airports outside of the capital to accommodate international flights and passengers.

Local telecommunications providers have been providing discounted packages and supporting businesses and government entities with digital solutions, to continue operations and services during the crisis period.

<sup>55</sup> <https://corporatemaldives.com/macL-offers-attractive-discounts-to-international-airlines/>

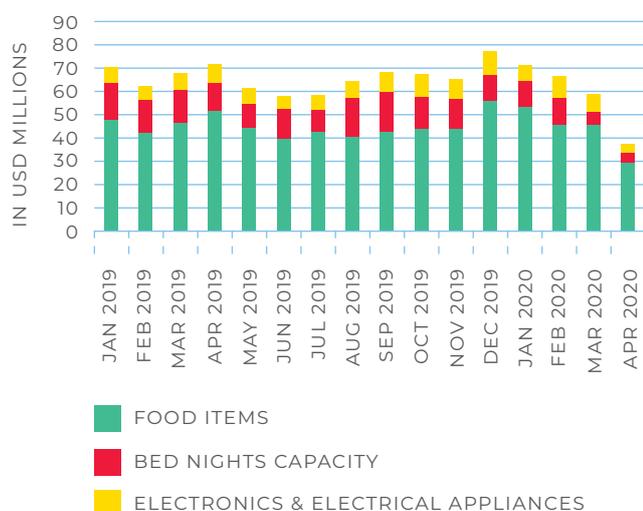
<sup>56</sup> Air transport circular AT 13/2020 issued on 27th June 2020: Precautionary measures against Novel Coronavirus (COVID-19), Maldives Civil Aviation Authority

## WHOLESALE AND RETAIL TRADE SECTOR

In 2019, the wholesale and retail trade sector accounted for a share of 7 percent of the GDP. An estimated 13 percent of total employment is found in the wholesale and retail trade sector,<sup>57</sup> with 30 percent of the employment share held by women.<sup>58</sup>

Total imports into the country have been increasing from 2015 until 2019, when total imports showed a decline of 2.4 percent compared to the previous year. Available data for April 2020 showed an annual decline of 53 percent in total imports and the three largest import contributors to the country, namely UAE, Singapore and China, showed year-on-year declines during the first four months of 2020.<sup>59</sup>

Figure 10 Imports by type of household items



Source: National Bureau of Statistics

Figure 10 shows that, among the three types of household item imports, the most volatile is food items. The import values for the three types do not necessarily move together. Electronic and electrical appliances report similar figures for imports throughout the year.

With the onset of the COVID-19 crisis, available data shows that the import of food items slightly increased in January and February 2020, and imports of electronic and electrical appliances increased until March 2020,

in annual terms. Imports of furniture and fittings had shown annual declines since the beginning of the year. Importers, traders, and MSMEs that cater household items may not have experienced a significant decline in supplies during the first few months, but with border closures, imports of all household items declined by more than 50 percent annually in April 2020, except for food items which declined only by 42 percent.<sup>60</sup> The Maldives Customs Service data shows a total of MVR 902.9 million in import duties collected as of 11 June 2020, compared to MVR 1,482 million for the same period in 2019.<sup>61</sup>

In response to the crisis, the Maldives Ports Limited provided discounts on importer levied fees,<sup>62</sup> allowed an extension on the containerized cargo storage period, eased repayment plans and deferred existing repayment agreements of importers during lockdown, to ease the cost of trade and logistics.<sup>63</sup> The state-owned enterprise, State Trading Organization, assured increased storage facilities to stockpile essential goods; supported cargo shipments from import partner countries such as UAE, Thailand, Sri Lanka, etc.; and received emergency financing from the International Islamic Trade Finance Corporation (IIFC) for the supply of food and medicine.<sup>64</sup> The national shipping line, Maldives State Shipping (MSS), a subsidiary of the State Trading Organization, was launched on 26 March 2020 to enhance immediate efforts to transport essential goods and increase avenues of support to local businesses.<sup>65</sup> The State Trading Organization supported the sale and delivery of goods in the Greater Malé Region and across the country.

<sup>57</sup> Quarterly National Accounts – Q4 2019, National Bureau of Statistics

<sup>58</sup> Maldives Population & Housing Census 2014, Statistical Release: IV Employment, National Bureau of Statistics

<sup>59</sup> Monthly Statistics – May 2020, Maldives Monetary Authority

<sup>60</sup> Ibid.

<sup>61</sup> Weekly Fiscal Developments – Week 23 as at 11 June 2020, Ministry of Finance

<sup>62</sup> Importers granted concessions of demurrage fees and bonded warehouse license fees

<sup>63</sup> Press Release 30 March 2020, Maldives Ports Limited

<sup>64</sup> IIFC extends STO US\$15 million as part of COVID-19 response

<sup>65</sup> MSS as subsidiary of STO, Media Center, State Trading Organization

Amid the nationwide restrictive measures on movement and the lockdown enforced in the Greater Malé Region, retailers were encouraged to continue operations through delivery services. The application process for permits was facilitated by the Ministry of Economic Development and the Maldives Police Service.

As part of the lockdown easing measures during the month of June 2020, businesses were provided extensions on the hours of delivery and operation, and more businesses were granted permits to resume business with registered essential employees. Starting from July, all retailers and other businesses including cafés and eateries, salons, local markets, stores, etc. can resume operations, given adherence to HPA and relevant authorities' safety guidelines.

Construction activity has doubled from 2014 to 2018. The annual percentage share of the construction industry in 2019 was at 6.4 percent of GDP. A slowdown was experienced in the sector in 2019 with the completion of several large infrastructure projects in 2018, and due to new Public Sector Infrastructure Projects (PSIP) budgeted for 2019 experiencing delays in commencement. The total number of building materials imported in 2019 amounted to \$623.6 million with the highest monthly imports recorded in the months of February and September.

The year 2020 was promising for the construction industry, with many new PSIP budgeted for the year; MNACI reported that PSIP had budgeted MVR 2.795 billion. MNACI has 384 registered contractors and, based on a survey conducted with members, it was estimated that the industry's loss due to the crisis, for the immediate three months, was MVR 617 million.<sup>68</sup>

## CONSTRUCTION

Figure 11 Construction sector overview



Source: National Bureau of Statistics

The share of the construction industry in the GDP has increased at an average annual growth rate of 14.6 percent throughout 2014-2019 (Figure 11). The industry currently employs approximately 5000-7000 locals and 40,000-50,000 expatriates, as reported by The Maldives National Association for Construction Industry (MNACI).<sup>66</sup> 98 percent of those employed in the industry are men, as per data available from 2014.<sup>67</sup>

As part of support measures to stabilize the industry, the government announced that PSIP for which work has commenced with secured financing can progress, while the remaining projects will be halted for the year.<sup>69</sup> Concessions for importers of construction supplies were granted in March 2020, with guaranteed supply of cement and materials from neighbouring India. During the latter stage of the lockdown, the Malé City Council provided permits for some construction to resume at halted work sites by introducing new health and safety guidelines for construction sites. By the end of May 2020 and, as part of the lockdown easing measures introduced in the Greater Malé Region, application by companies seeking to resume work with details of employees working on-site was facilitated via an online portal.<sup>70</sup> From July 2020, all construction companies were allowed to resume operations.

<sup>66</sup> Impact of COVID-19 in the Maldives, Maldives National Association of Construction Industry

<sup>67</sup> Maldives Population & Housing Census 2014, Statistical Release: IV Employment, National Bureau of Statistics

<sup>68</sup> Impact of COVID-19 in the Maldives, Maldives National Association of Construction Industry

<sup>69</sup> Maldives Economic and Financial impacts of COVID-19 and Measures Taken, Ministry of Finance

<sup>70</sup> Construction permit form, Malé City Council

# APPENDICES

## APPENDIX 1 PUBLIC FINANCE AND ECONOMIC STABILIZATION MEASURES

### COST CUTTING MEASURES

- Budget allocated for government offices reduced by MVR 825 million
- Salaries of political appointees and parliament members reduced, net salaries of government officials capped, and Board allowances for members at government companies ceased
- Expenses above MVR 35,000 require approval from the Ministry of Finance
- Travel, maintenance, recruitment, and training expenses reduced
- Capital expenditures for the year reduced
- Planned PSIP for the year paused
- Halt on budgeted increase of allocations for councils for the year
- Take advantage of low oil prices and reduce expenses on oil and energy subsidies
- State-owned Enterprises to restructure wages of employees earning more than MVR 15,000 per month<sup>71</sup>

### RESOURCE MOBILIZATION

- According to the Ministry of Finance, the financing requirement for the year is \$964 million, of which \$296 million has been secured to be disbursed and an approximate of \$273 million is in the pipeline to be raised in the next two quarters; to cover the unsecured financing gap of \$395 million, work is ongoing for issuance of a privately placed \$300 million bond/sukuk in the upcoming months.<sup>72</sup>

### DEBT MANAGEMENT

- Parliament approved increase of overdraft limits of Public Account from MVR 2 million to MVR 4.4 billion for one year, by suspending some articles of the Fiscal Responsibility Act.
- Maldives granted partial debt repayment deferment for the year on bilateral government loans extended by the government of China and further extensions spanned through medium term under G20 Debt Suspension Initiative

### MONETARY POLICY AND EXCHANGE RATE STABILIZATION

- Obtained \$150 million from currency swap agreement with RBI
- Reduced MRR to 5 percent
- Short-term credit facilities for financial institutions to improve liquidity
- MMA increased foreign exchange interventions<sup>73</sup>

### FOOD AND OTHER PRICES

- STO rationed prices and MED announced maximum prices for: Red onions (kg): MVR 20 maximum, Potatoes (kg): MVR 20 maximum, Eggs (one): MVR 1.80, Yellow lentils (kg): MVR 45. Any retailer selling at a higher price will be fined MVR 100,000 and could be subject to closure of business for 6 months.<sup>74</sup>
- Diesel price has been reduced to MVR 8.71/litre and petrol price reduced to MVR 8.07/litre.<sup>75</sup>

<sup>71</sup> Maldives Economic and Financial impacts of COVID-19 and Measures Taken, Ministry of Finance

<sup>72</sup> Ministry of Finance. Press Release - Management of Public Finance Impact of Covid-19, 25 May 2020

<sup>73</sup> COVID-19 – Measures taken by the MMA, Maldives Monetary Authority:

<sup>74</sup> Announcement on Price controls for Onion, Potato, Yellow Dhaal & White Egg, Ministry of Economic Development

<sup>75</sup> Fuel Price Reduction, State Trading Organization



RAPID LIVELIHOOD ASSESSMENT

# IMPACT OF THE COVID-19 CRISIS IN THE MALDIVES

PART I - ECONOMIC OVERVIEW

With support from the National Bureau of Statistics,  
The Maldives National University, Ministry of Tourism,  
Ministry of Fisheries, Marine Resources and Agriculture,  
Ministry of Youth, Sports and Community Empowerment  
and the Ministry of Arts, Culture and Heritage.



Ministry of Economic Development  
Republic of Maldives

