

Maldives	
Policy responses	
Containment	<p>7 March, first two COVID-19 cases were confirmed. These are 2 foreign nationals working in an island resort in direct contact with an Italian tourist/guest.</p> <p>12 March, the Maldives government turned an abandoned island resort on Villivaru into a 'luxury' coronavirus quarantine facility.</p> <p>13 March, banned the use of all public grounds and parks in the Greater Male' Region, until further notice. School reopening after term break was further delayed to 29 March.</p> <p>27 March, first Maldivian confirmed case was reported who came from UK.</p> <p>The government banned entry to travelers from China, Italy, Bangladesh, Iran, Malaysia and the UK, as well as to those coming from specific regions in Germany, France and South Korea. All direct flights to China, South Korea and Italy have also been suspended.</p> <p>The government had taken precautions to stop the virus from entering the capital by suspending on-arrival visas and screening people entering through seaports, airports and arriving from other islands.</p> <p>All cruise ships are banned from entering and docking.</p> <p>16 April, the first confirmed case of community spread in Maldives was detected in Male, the capital city.</p> <p>17 April, entered a national total lockdown after coronavirus community transmission ending in 14 May.</p> <p>30 April, first COVID-19 death was reported.</p> <p>All Government offices remain closed, however, all essential services to the public will continue without interruption. These essential services include hospitals and pharmacies, courts, security services, utility companies, diplomatic and consular services, social protection services, airports and seaport, broadcasting services, banking services, fire and rescue services, meteorological services, cooking gas and fuel supplies, waste management services and correctional services.</p> <p>28 May, easing of restrictions begun, people were allowed to go out for certain hours and general businesses were permitted to open.</p> <p>8 June, lockdown was lifted but nightly curfew is still in placed from 10PM to 5AM. But children and elderly have to follow set timings during the transitional phase, which runs until the end of June, with children only allowed outside daily from 4-6PM and elderly from 5-8AM. Outdoor</p>

	<p>exercise is also restricted to 6-9PM.</p> <p>Public gatherings of more than three people and family or house visits remain banned until the end of June. Face masks are mandatory for closed spaces and public service areas. Physical distancing, and hand sanitising and washing must also be practised when outside.</p> <p>Domestic air and sea travel between islands that have no active virus cases is permitted. But travel to and from capital Male, the epicentre of the outbreak, is only allowed under recently-announced home quarantine rules – mandatory 14-day quarantine at designated facilities.</p> <p>11 June, the nation’s tourism ministry announced that it will reopen its borders to international visitors in July without quarantine requirements. Tourism remains to be the bedrock of Maldives’ economy. Thus, from the initial plan to subject international visitors to on-arrival covid-19 testing and 14-day mandatory quarantine, the tourism ministry announced that it will not put anymore restrictions on nationalities and quarantine requirements. Tourists will be given free on-arrival visa and holidaymakers were also promised “better holiday packages” and “no new fees and no additional costs.”</p> <p>14 July, Government has announced that no quarantine will be required for tourists and would grant free 30-day visas for visitors from July 15. Somehow, public health interventions were issued to prevent COVID-19 transmission in the tourism sector.</p> <p>Since reopening its borders on 15 July, several international flights have resumed their operations.</p> <p>By 10 September, all tourists and short-term visitors must present a negative PCR test for COVID-19 on arrival to Maldives. The test and negative PCR certificate must be issued no more than 96 hours prior to departure.</p> <p>Maldives is now exempt from FCDO advice against all non-essential international travel. This is based on the current assessment of COVID-19 risks.</p> <p>3 November, the Ministry of Tourism has approved opening dates for more tourist resorts, yacht marinas, tourist hotels, tourist vessels, tourist guesthouses and transit facilities</p> <p>With about 25 of the Maldives’ 166 resorts still closed, overall national visitor numbers are still down on pre-pandemic levels but they rose steeply in the second half of the year.</p>
Fiscal	<p>20 March, the authorities announced an Economic Recovery Plan of 2.5 Billion rufiyaa (2.8 percent of GDP) to:</p> <ul style="list-style-type: none"> - reduce recurrent expenditure by 1 billion rufiyaa (1.1 percent of GDP);

	<ul style="list-style-type: none"> - Continue PSIP projects as planned; - increase the amount of funds allocated for the health sector; - subsidize 40 percent of electricity bills and 30 percent of water bills for the months of April and May; - provide special allowance to those who lose their jobs due to COVID-19; - ensure through banks, availability of working capital to businesses; - defer by 6 months the principal and interest amount of loan repayments to BML of businesses and people who have been negatively impacted as a direct result of COVID-19; and - reduce the oil price sold from STO. <p>The government reduced state spending by MVR 1 billion. In this regard, the government had slashed the salaries of all political appointees and heads of state-owned enterprises (SOEs) by 20 percent. The parliament followed suit, approving a 20 percent cut on their members' salaries as well.</p>
Monetary/ Financial	<p>The Maldives Monetary Authority (MMA) has been in close contact with the banks to discuss the impact on the domestic financial system and has identified the measures that can be taken through the financial institutions to reduce economic disruptions and loss of jobs and output.</p> <p>These measures include:</p> <ul style="list-style-type: none"> - reduction of the minimum required reserves (RR) up to 5 percent as and when required (RR were reduced to 7.5 percent on April 23); - making available a short-term credit facility to financial institutions as and when required; - introducing regulatory measures to enable a moratorium of 6 months on loan repayments for those impacted by the current situation; the moratorium was extended to end-2020 on September 29.
Foreign exchange	<p>The authorities have announced their intention to obtain a foreign currency swap facility amounting to US\$150 million under the currency swap agreement signed between the MMA and the Reserve Bank of India. The MMA will increase its foreign exchange interventions and use other available facilities to maintain the exchange rate peg against the US dollar.</p>
Trade measures ¹	<p>Restrictive: N/A</p> <p>Liberalizing:</p> <ul style="list-style-type: none"> • Import duty and processing fees for the certain items imported during the period of the public health emergency have been waived by the President.
SME measures ² (last update 22 January 2021)	<p>Subsidy:</p> <ul style="list-style-type: none"> • The government announced an MVR 2.5 billion Economic Recovery Plan, which involves subsidizing companies' 40 per cent electricity and 30 per cent water bills in April and May 2020. <p>Loan support and deferral of loan repayment:</p> <ul style="list-style-type: none"> • As part of the Economic Recovery Plan, the Ministry of Finance provided SME loans through SME Development Finance Corporation (SDFC). The loans have an interest rate of 6 per cent and must be repaid

¹ <https://www.macmap.org/covid19>

² <https://edition.mv/news/16038>

	<p>within three years, with a six-month grace period and a repayment discount of 20 per cent. Only companies with an annual turnover of less than MVR 10 million can apply. Enterprises without layoffs can be able to apply first.</p> <ul style="list-style-type: none"> • The Maldives Monetary Authority (MMA) introduced regulatory measures to enable a moratorium of six months on loan repayments for those impacted by the current situation. <p>Employment support:</p> <ul style="list-style-type: none"> • In April 2020, the government introduced for a period of three months the Income Support Allowance. The latter allows workers who have lost their jobs or incomes to receive up to MVR 5,000 per month. Those whose income has fallen below MVR 5,000 per month can receive a top-up. This support also extends to the self-employed and those in the informal sector.³
Other policies	<p>2 April, WB approved US\$7.3M grant to Maldives' COVID-19 Emergency Response and Health Systems Preparedness Project.</p> <p>25 June, the Asian Development Bank (ADB) approved a \$25 million concessional loan and a \$25 million grant to help the Government of Maldives fund its response to the coronavirus disease (COVID-19) pandemic. The loan and grant will fund the COVID-19 Active Response and Expenditure Support (CARES) Program of Maldives. CARES will help implement the government's COVID-19 health response measures through actions, such as setting up COVID-19 testing facilities in 5 regional hospitals across 5 zones, scaling up of testing capacity to 800 tests per day, providing at least 400 isolation beds in separate wards for men and women, and at least 200 critical care beds for COVID-19 treatment.</p> <p>The authorities have announced their intention to obtain a foreign currency swap facility amounting to US\$150 million under the currency swap agreement signed between the MMA and the Reserve Bank of India. The MMA will increase its foreign exchange interventions and use other available facilities to maintain the exchange rate peg against the US dollar.</p>

Source: Local news and information compiled from IMF.

<https://covid19.health.gov.mv/en/>

<https://www.finance.gov.mv/media/news/mvr-25-million-economic-recovery-plan>

<https://edition.mv/business/16350>

<https://maldives.net.mv/39144/maldives-promises-open-borders-no-quarantine-for-post-coronavirus-tourism/>

<https://reliefweb.int/report/maldives/adb-approves-50-million-support-maldives-covid-19-response>

<https://reliefweb.int/report/maldives/united-nations-maldives-covid-19-socio-economic-response-and-recovery-framework>

³<https://edition.mv/news/16692#:~:text=Only%20Maldivian%20citizens%2C%20with%20employment,MVR%205000%20under%20the%20scheme.>