

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. From 1999 to 2017, the Asian Development Bank (ADB) provided two urban sector projects amounting to \$14 million.¹ The projects included a balance of institutional, infrastructure, and environmental improvements on islands outside the proposed project area and small components on solid waste management (equipment and awareness building). The proposed Greater Malé Environmental Improvement and Waste Management Project is the first dedicated large-scale ADB assistance in solid waste management in Maldives. The Ministry of Environment and Energy (MEE) is the focal agency for ADB urban sector operations.

2. As part of their National Solid Waste Management Policy (2015), the MEE divided the country into seven waste management zones, each zone having its own regional waste management facility. The MEE works with development partners to develop waste management systems in each zone.² The key development partners are Abu Dhabi Fund for Development, International Renewable Energy Agency, ADB, Asian Infrastructure Investment Bank (AIIB), Danish Government, the European Union, Islamic Development Bank (IsDB), OPEC Fund for International Development, and World Bank.

3. The World Bank's Maldives Environmental Management Project (\$12.0 million) supported regional solid waste management activities in zone 2, located in the north central region of the country. The project established a regional solid waste management facility and island waste management centers and provided capacity building for environmental management in the targeted island communities. Other zones are assigned to bilateral and multilateral partners.

4. The government assigned zone 3, the most populated and largest waste catchment area, to ADB. The ADB country operations business plan, 2018–2020 for Maldives includes \$49.77 million for the area in two Asian Development Fund (ADF) cycles: \$24.85 million in 2018, and \$24.92 million in 2019–2020. To access the full ADF grant allocation, the grants will be approved in two phases: \$33.07 million in 2018 (phase 1),³ and \$24.92 million in 2019 or 2020 (phase 2). The proposed project covers phase 1, while the phase 2 project will develop a waste-to-energy treatment plant and will be processed separately in 2019 or 2020. ADB has mobilized additional grant funding for pro-poor and community-based waste management activities in the outer islands in phase 1 through Japan Fund for Poverty Reduction. ADB will seek cofinancing from development partners in phase 2 (currently in preliminary discussions with AIIB and IsDB). ADB is also exploring the potential for mobilizing additional grant funding for climate change adaptation and mitigation activities from internal trust funds.

5. Since 2016 the government, through the Ministry of Finance and Treasury (MOFT) and MEE, has proactively supported donor coordination in zone 3. In December 2016 and December 2017, the MOFT and MEE organized donor coordination meetings involving ADB, AIIB, IsDB, and World Bank. The meetings provided opportunities to discuss financing and exchange lessons and best practices in the sector.

¹ ADB. 1999. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to Maldives for the Regional Development Project*. Manila. (\$8.0 million); ADB. 2005. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to Maldives for the Regional Development Project Phase II—Environmental Infrastructure and Management*. Manila. (\$6 million).

² The World Bank's International Development Association grants supported zones 2, 4, and 5.

³ Vice President Operation Group 1 approved additional ADF grant funds of \$8.22 million from Operations Group 1 pool of concessional resources cancellations and savings.

Major Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
Waste Management and Pollution Control			
OFID	Provision of Water Supply, Sanitation and Solid Waste Management Project	2016–2018	9.2
World Bank	Maldives Environmental Management Project	Completed	12.0
ADB / AIIB / IsDB / JCM	Great Malé Environmental Improvement and Waste Management	2018–2022	126.0
World Bank	Maldives Clean Environment Project	2018–2023	20.5
ADFD / IRENA	Small Scale Waste to Energy	2016–2021	12.0
Danish Government	Low Emission Climate Resilient Development	2015–2018	4.8
EU / World Bank	Climate Change Trust Fund	2015–2018	2.0
EU / World Bank	Climate Change Adaptation Project	2014–2018	0.8

ADB = Asian Development Bank, ADFD = Abu Dhabi Fund for Development, AIIB = Asian Infrastructure Investment Bank, EU = European Union, IsDB = Islamic Development Bank, IRENA = International Renewable Energy Agency, JCM = Joint Crediting Mechanism, OFID = OPEC Fund for International Development.

Source: Ministry of Environment and Energy.

B. Institutional Arrangements and Processes for Development Coordination

6. The MEE Waste Management and Pollution Control Department is the nodal government agency tasked with formulating and implementing solid waste management and environmental policies in Maldives. The MEE coordinates with bilateral and multilateral agencies and other stakeholders through the department to develop an investment program for its seven regional waste management zones. A project steering committee chaired by the minister of environment and energy—comprising the ministries of environment and energy, finance and treasury, tourism, health, gender and family, and local government—is set up to oversee the phased implementation of the ADB Greater Malé zone 3 waste management project and to coordinate with other government and external agencies. A project management unit (with a project director) will also be established within the MEE with representatives of the MEE and the service provider (Waste Management Corporation Limited), consisting of eight full-time staff members. Coordination among development partners will be led by the MOFT and MEE to ensure synergies in development planning and financing for waste management in Maldives.

C. Achievements and Issues

7. The MOFT and MEE has a robust national waste management policy and regional waste management strategy with a clear coordination mechanism to ensure timely involvement of government and external agencies to support the sector.⁴ The MOFT and MEE oversaw the

⁴ The National Solid Waste Management Policy was formulated in 2015. The policy (i) defines responsibilities for solid waste management, assigning to MEE and Environmental Protection Agency the regulatory and monitoring role, respectively; (ii) divides the Maldives territory into seven administrative zones mandating a Regional Waste

coordination of the ADB project with development partners to ensure that infrastructure development and capacity building activities complemented each other and that lessons were incorporated to achieve the intended objectives.

8. The project preparation team met with AIIB, IsDB, Japan International Cooperation Agency, and World Bank on multiple occasions to learn lessons and confirm alignment with past and ongoing activities within the country. The team will continue to build on these relationships to ensure synergy with ongoing and future project activities supported by development partners.

9. Key lessons from development partner experience incorporated into the project design include (i) developing high project readiness for timely implementation and on-time delivery of outcomes to beneficiaries, (ii) tendering larger contract packages to attract good bidders and reduce the administrative burden on the project management unit in managing multiple smaller packages, (iii) strongly emphasizing community consultation and participation, especially in outer island components, in the project designs, (iv) building comprehensive institutional capacity and public awareness components, (v) incorporating requirements for financial sustainability and operation and maintenance, and (vi) supporting quality at entry to ensure high-quality cost estimates.

D. Summary and Recommendations

10. To support the effective use of resources and achieve development effectiveness in Maldives, ADB will continue to coordinate with development partners in supporting sustainable solid waste management programs. Effective coordination of externally supported project activities is essential for achieving clarity and consistency with ongoing projects for wider replication in the country, as well as providing useful lessons to inform ADB's sector engagement in South Asia. ADB missions will continue to share and coordinate findings with development partner organizations.

Management Facility in each of them; (iii) stresses on reduce, reuse, and recycling (3R) and raising citizens' awareness; (iv) mandates the development of island waste management plan and systems, including equipment and facilities (Island Waste Management Centers), in all inhabited islands; (v) specifies mechanisms for solid waste management fee collection; and (vi) mandates residual waste from islands to be transferred to respective Regional Waste Management Facilities.