

Maldives Partnership Forum

26 June 2006

Final Communiqué

1. The first Maldives Partnership Forum was held in Bandos, the Republic of Maldives on 26 June 2006. Participants included the Government of Maldives, international development partners, representatives of private sector organizations and political parties, and civil society. As all of the political parties did not attend the inaugural meeting, the Forum expressed the hope that there would be greater engagement of all political parties in the future.
2. His Excellency Mr. Maumoon Abdul Gayoom, the President of the Maldives, inaugurated the Forum. In his keynote Address, he highlighted the importance of the Forum as an occasion for national and international stakeholders to discuss the significant challenges facing the Maldives at this historical moment of political, social and economic reform. He noted that while the country continues to encounter major obstacles eighteen months following the tsunami, it is also preparing to graduate from Least Developed Country to Middle Income Country status. Among the issues that are critical to the future of the Maldives are healthcare, education, human resource capacity constraints, and environmental protection. The President underscored the need to establish the Forum as a mechanism for permanent dialogue.
3. The Forum acknowledged the significant impact of the tsunami on the socio-economic fabric of the Maldives. It noted that the country suffered economic losses equivalent to 62% of Gross Domestic Product (GDP) and, in the year following the tsunami, experienced negative growth for the first time in recent history. The tsunami had a profound impact on the environment, directly affected one-third of the population and in particular women, and left 10% of all Maldivians homeless. The tsunami also critically affected businesses and small entrepreneurs and led to widespread loss of livelihoods.
4. The Forum acknowledged the considerable progress that the Maldives has achieved in the recovery and reconstruction process with the help of its development partners. The Forum also recognized that significant challenges remain in fulfilling the objectives of the National Recovery and Reconstruction Plan (NRRP), including in particular in the areas of housing and shelter, harbours and jetties, power and energy, and internally displaced persons.
5. The Forum highlighted the need to ensure equitable distribution of recovery activities throughout the affected atolls and, in particular, to focus on restoring women's livelihoods, rehabilitating the agricultural and fisheries sectors, and addressing the environmental impact of tsunami recovery activities. It also recognized the need to integrate the NRRP into the long-term development agenda. The Forum encouraged strengthened links with civil society and better communication with beneficiaries regarding recovery activities. It also called upon development partners to help bridge the US\$80 million funding gap and to provide more technical expertise to help the Government address its capacity constraints. The Forum noted that the Development Assistance Database has been an important instrument to ensure transparency, better coordination, and the sharing of information on project selection and contract awards.
6. The Forum commended the Government for addressing many of the country's macro-economic challenges, taking into consideration the need for new revenue-generating measures, and mobilizing additional development assistance. The Forum acknowledged the Government's efforts to diversify the economy and to create a more transparent regulatory framework to encourage greater domestic and foreign investment in the country.
7. The Forum recognized the Government's commitment to balancing the budget and stabilizing GDP growth by 2010. It recommended tight fiscal discipline to ensure economic stability and a more open and accountable budget process, and it cautioned the Government to avoid increases in public expenditure in the run-up to the elections in 2008. The Forum also urged strengthened coordination among Government agencies to ensure better prioritization of Government expenditures.
8. The Forum recognized the importance of reforming trade policy to maximize benefits from the international trade regime. It also encouraged the Government to continue its efforts to restructure and privatize the

State Owned Enterprises and to provide a greater role for the private sector in the formulation and implementation of economic, trade and investment policies. The Forum also encouraged the international community to provide concessional loans and continue to accord preferential trade preferences to the Maldives following the country's transition to Middle Income Country status.

9. The Forum welcomed the 7th National Development Plan 2006-2010, which is more focused and results-oriented than previous plans. The Forum noted the Government's strategy to address the unique geographical challenges of the country through its Population and Development Consolidation programme. It also urged the Government to clarify how the programme will be implemented across the atolls and, in particular, how it will address the needs of the most vulnerable groups, including the issues of job security and income distribution. It also stressed the importance of engaging all key parties and sectors of society in the process. The Forum, while recognizing that inter-island transportation will remain a continuing development challenge for the country, called for the establishment of a viable transportation network.
10. The Forum stressed the importance of setting clear investment priorities and compiling a portfolio of prioritized projects for engagement of development partners. It urged the Government and donors to work together to ensure that development activities in the Maldives are undertaken in line with the Paris Declaration on Aid Effectiveness.
11. The Forum commended the Maldives for its significant progress towards, and commitment to, meeting the Millennium Development Goals (MDG). It encouraged the Government to strengthen its focus on achieving the gender equality and environmental sustainability objectives of the MDGs. The Forum expressed concern at the escalating drug abuse among Maldivian youths and encouraged the Government to continue its efforts to address this endemic problem.
12. The Forum welcomed the political reform process outlined by the Government of Maldives in the Roadmap for the Reform Agenda of 27 March 2006, which seeks to achieve a more democratic system of governance and greater respect for human rights. The Forum acknowledged the convening of the People's Special Majlis to amend the Constitution, the introduction of political parties, the establishment of the Human Rights Commission, and the introduction of a Penal Code and Bill on the Human Rights Commission to the People's Majlis. The Forum also noted that many challenges remain in fully meeting the objectives of the reform process, including capacity building of key institutions to take the process forward.
13. The Forum recognized that the reform agenda is premised on creating an open society and polity in the Maldives. In this regard, the Forum acknowledged the steps taken towards safeguarding freedom of expression, including ensuring a free and more diversified media, and the decision to enact a bill on strengthening the right of assembly and the need for more accommodation in these areas.
14. The Forum expressed concern over the lack of broader community participation in the political reform process, alleged human rights violations, and the high level of polarization of the political process. The Forum encouraged all stakeholders, including civil society and political parties, to engage in the reform process through constructive dialogue and through existing parliamentary and constitutional mechanisms. The Forum welcomed the Government's engagement of the international community in the reform process and its standing invitation to all Special Procedures Rapporteurs of the United Nations Human Rights Commission to visit the Maldives.
15. The Forum underscored the importance of civic education programmes and activities to raise public awareness of both democracy and human rights issues.
16. The Forum also welcomed the accession of the Government to the Torture Convention and to the Convention on Elimination of Discrimination Against Women and the ratification of the Optional Protocols to both the Conventions. It further noted the decision to accede to the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights in 2006.
17. The Forum welcomed President Gayoom's call for a social compact and continued engagement with the international community in pursuing development and democracy.
18. The Maldives Partnership Forum underscored the importance of reconvening on a regular basis to review implementation of the recommendations and to continue dialogue among all the partners.