

Maldives: Country Financing Parameters

36548

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The country financing parameters for the Maldives set out below have been approved by the Regional Vice President, South Asia Region, and are being posted on the Bank's internal website.

Items	Parameter	Remarks/Explanation
Cost Sharing. Limit on the proportion of individual project costs that the Bank may finance.	100%	In individual projects, funding from the Government of Maldives (GoM) or from other sources will be generally encouraged, in order to leverage Bank resources and take advantage of partnership opportunities. The Bank may finance 100 percent of all project / program costs where needed and appropriate. The Bank's financing share would be higher for community development and social sector projects; and lower for infrastructure and private sector development projects.
Recurrent Cost Financing. Any limits that would apply to the overall amount of recurrent expenditures that the Bank may finance.	No country-level limit	The Bank will continue to monitor the aggregate fiscal position and prospects and its implications for recurrent cost financing. In determining Bank financing of recurrent costs in individual projects, the Bank will take into account sustainability issues at the sector and project levels, including implied future budgetary outlays. Bank financing of recurrent costs is expected to remain within modest ranges.
Local Cost financing. Are the requirements for Bank financing of local expenditures met, namely that: (i) financing requirements for the country's development program would exceed the public sector's own resources (e.g., from taxation and other revenues) and expected domestic borrowing; and (ii) the financing of foreign expenditures alone would not enable the Bank to assist in the financing of individual projects.	Yes	The two requirements are met. The Bank may finance local costs in the proportions needed in individual projects.
Taxes and duties. Are there any taxes and duties that the bank would not finance?	None	Taxes and duties are considered reasonable, and non-discriminatory. The Bank may finance taxes and duties associated with project expenditures. At the project-level, the Bank would consider whether taxes and duties constitute an excessively high share of projects costs.