



# Evaluation of the Single Parent and Foster Care Social Protection Schemes in the Maldives

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## Executive summary

According to the Government of Maldives' (GoM) Strategic Action Plan (SAP) 2019-2023, social protection comprises a broad definition consisting of social security, social assistance, and welfare programmes. This report presents findings of an evaluation focusing on two schemes within the social protection sector, namely the Single Parent (SPA) Allowance and the Foster Care (FCA) Allowance. These are the main child-focused social protection schemes provided by the Government of the Maldives, implemented by National Social Protection Agency (NSPA). This evaluation has been conducted by a team of Development Pathways, as part of UNICEF's support to the Government of the Maldives in the improvement of child-focused social protection services.

The study has been conducted using a number of criteria that are based on a modification of the OECD/DAC evaluation criteria. The criteria used for this evaluation include: relevance, effectiveness, efficiency, sustainability, child-focused, rights-based and gender equality. Due to limitations for evaluating these schemes in the absence of baseline data or budget availability for further data collection, the study did not measure impacts of the scheme. Rather, focus was placed on the efficacy of the schemes in addressing the key vulnerabilities identified by respondents through qualitative evaluation, which has been contextualised by desk-based literature research. It analysed the overall national social protection systems of the Maldives, specifically assessed the operations of the SPA and FCA schemes using the above mentioned criteria, and made recommendations for a more comprehensive child-sensitive social protection programme for the Maldives.

### Context

The number of children below the age 18 years is approximately 120,500 according to United Nations (UN) population projections, comprising 22.3 per cent of the total population of the Maldives. The poverty rate among children, according to the national poverty line in 2016, is 10.1 per cent. Without investing in children, the Maldives will significantly undermine its potential to build a skilled and productive labour force to promote inclusive economic growth and foster a cohesive society with the essential contributions of all citizens. However, most children in the Maldives currently miss out on social protection. The current Social Protection schemes for children in the Maldives – due to their focus on single parenthood and orphanhood – provide limited coverage if we compare this to the child population, with less than 4 per cent of children below the age of 18 years accessing a benefit.

It is imperative that policies addressing the needs of children are informed by realistic and in-depth information on the types of vulnerabilities that children face, as well as potential barriers to accessing basic needs, including health care, education and other basic services, such as psychosocial support. The purpose of this evaluation is to deliver a comprehensive examination of the two core social protection programmes implemented by the NSPA and assess achievements and challenges in addressing the particular needs of vulnerable groups, including children, women, youth, persons with disabilities and other vulnerable members of the population.

## Executive summary

The objectives of the evaluation are to: inform the progress made in implementing the Single Parent and Foster Care schemes; identify the challenges faced by children in the Maldives and how they can be addressed; assess how the programmes can be scaled up or coverage increased; and enhance partnerships and leverage more funding for child sensitive social protection

Although the terms of reference highlight a focus on these two programmes, the evaluation builds a broader understanding of the social welfare system to ensure that recommendations are relevant to the wider social protection context in the Maldives. In line with the terms of reference, the evaluation covers a system-wide assessment as well as an assessment of the operations of each scheme.

### Methodology:

The evaluation commenced with a desk-based review of key literature and government documentation to gain an understanding of the context within which the two social protection schemes operate, focusing on the vulnerabilities facing families with children. Following this, qualitative research was carried out by a team of researchers using key informant interviews with stakeholders and, focus group discussions and in-depth interviews with beneficiaries and non-beneficiaries. Discussions and interviews took place on different islands and atolls with support from local research facilitators/translators. In the absence of baseline data to compare findings against, national statistics (where available) were used to contextualise findings. The findings and recommendations were validated with stakeholders during a workshop in Male'.

### Main Findings and Conclusions:

The Government of Maldives (GoM) recognises the importance of social protection as a core element of protection for citizens, and has significantly expanded coverage of key social protection programmes across the lifecycle. The Maldives invests approximately 6.5 per cent of Gross Domestic Product (GDP) in the social protection sector, including lifecycle income support programmes, the universal social health insurance programme and various subsidy programmes.

Using the standard OECD/DAC evaluation framework and other relevant criteria recommended by UNICEF, the evaluation team produced the following findings.

### On relevance:

The government's ambition to develop a child-sensitive social protection system is set out clearly in the SAP 2019-2023. A number of improvements can be made to ensure the two child-sensitive schemes are more relevant to the intended beneficiaries' needs. Part of improving relevance is to examine the social protection system as a whole.

By 2023, the GoM aims to establish 'a well-coordinated social welfare system', in which 'at least 70 per cent of the most eligible are benefitting from a harmonised social protection mechanism'. This is a commendable target. However, overall, the study found that the current approach to social protection in the Maldives is

## Executive summary

fragmented and ill-defined. The Maldives has not yet developed a concrete scope and definition for the social protection sector, nor fully grasped what would equate to 'a well-coordinated' social welfare system. The current system falls short of the desired 'social welfare system' envisioned in the GoM's Strategic Action Plan (SAP).

This fragmentation is exacerbated by the fact that the social protection schemes are managed centrally in Male', with no clear oversight of their delivery at local island levels. Given the Maldives decentralisation legislation, the island councils should have a greater role to play in the schemes. However, the NSPA does not have a formally mandated organisation that works as part of its structure to administer the schemes at the local level. This lack of decentralisation causes frustration for island councils and scheme applicants alike, and means that those who would benefit most from the social protections schemes often miss out.

### On effectiveness:

The two social protection schemes do not work to promote Maldivian values or the state's objectives in line with the Government of the Maldives' priority areas: Caring State and Dignified Families. The design of the schemes subject beneficiaries and their children to unnecessary stigma, social exclusion and discrimination as well as encouraging dependence as a result of subjecting families to a means test. Moreover, many eligible families miss out on assistance because of the complex and costly application process, and a lack of awareness of the schemes.

The conflation of roles and responsibilities regarding child protection issues with cash transfers undermines the effectiveness of child protection services and increases future problems and the need for support. Embedding social protection schemes in policy and legislation, and separating them from essential social services, is key to strengthening their sustainability and ensuring that they are more efficiently managed. Provision of child-focused psychosocial support would also greatly enhance the effectiveness of the schemes.

The effectiveness of the schemes is further hampered by the use of a Proxy Means Test (PMT) to verify the validity of an applicant's self-declared income. Applicants are accepted or rejected for the scheme based on the alignment between self-reported income and result of the PMT score. However, the design of the PMT does not enable reporting on the reasons why someone's application was denied, while the use of a PMT leads to errors of exclusion due to its design, which takes into account alternative proxies for welfare measurement and not just income.

## *Executive summary*

### **On efficiency:**

The two schemes have no systemised monitoring and evaluation mechanism, and no results framework. Data gaps make it difficult to estimate the overall efficacy of the schemes in reaching eligible citizens. The NSPA has not assessed the impact of the SPA and FCA, nor has it gauged public sentiment towards the schemes. This has led to uncertainty over how well the schemes are meeting the needs of the people they are set up to serve. It is also resulting in low community confidence in the fairness of the schemes. The lack of public confidence in the scheme is compounded by citizens having limited access to mechanisms to offer feedback on the schemes and participatory monitoring and evaluation is non-existent. There is no clear system for beneficiaries to lodge complaints or appeal decisions, and without an effective grievance mechanism in place, a well-intentioned scheme has become one that the citizens lament.

The two schemes have complications arising from its mechanisms to target eligible recipients. The schemes are designed to target those living in poverty. However, the method through which this is determined is costly and excludes a lot of people who are perceived by citizens to be deserving of the schemes. To make the schemes child-focused, inclusive and rights-based, adopting a universal approach would be most cost-effective as it would adopt more simple eligibility criteria while ensuring no child is left behind.

The qualitative research found that the transfers are largely spent on food and education. However, nutritional awareness appears to be low across the islands and children still lack nutritious food. A number of mothers associated being 'a good parent' with being able to send children to additional classes after school and this was the primary expense the scheme covered.

The impact of the FCA could be improved to focus on strengthening incentives for fostering and ensuring that fostered children have access to adequate psychosocial support. As it currently stands, the majority of foster families are ineligible for the transfer – which is poverty-targeted – as the assessment for their suitability to foster a child takes into account the financial capacity of households to care for them. Only a few respondents reported that the foster care scheme helped keep children out of institutionalised care. The money is not seen as an incentive for kin to foster.

### **On sustainability:**

There is no strategy underpinning long term funding arrangements for the social protection system, which is mainly financed from general government revenues. Contributory social protection mechanisms, such as work injury and unemployment insurance schemes are non-existent in the Maldives.

Recipients of the SPA and FCA may be cut off from the schemes for having savings or commencing work. Due to eligibility for the schemes being determined by poverty status, families receiving the SPA are more likely to maintain their poverty status in order to qualify for the benefit, rather than earning a marginally higher income from employment. Many respondents expressed a fear that the benefit would be withdrawn if they started saving money from the allowance.

## **Gender equality**

The evaluation found certain aspects of the schemes' implementation act as barriers towards gender equality. Specifically, application forms are biased towards those with education and literacy. Girls who leave school early to marry and/or have children are disadvantaged by this. In addition, the conditions regarding education attendance and immunisation placed on the programme puts responsibility for compliance on women. This reinforces women's roles in society as carers, while many face stigma when they fail to meet conditions. Single women are subject to violence, face exacerbated social exclusion and lack informal support. This is particularly acute for women who are divorced when they have moved away from their island of birth and are living on their former husband's island.

## **Child-centeredness**

Despite some positive policy reforms by the GoM, the Single Parent and Foster Care Schemes currently offer limited support to children in the Maldives. In total, around 4 per cent of children have access to income support – mainly through the SPA – which is likely to result in limited impacts on child wellbeing in the Maldives. Currently 0.2 per cent of GDP is invested in Maldivian children through income support transfers. This is relatively low in global comparison, as countries providing child benefits invest around 1.1 per cent of GDP on average. While the Government of Maldives invests a significant proportion of GDP (1.6 per cent) on its universal old age pension system, child-focused schemes are underprioritised in social spending. Further, a lack of child-focused psycho-social support, therapy and special needs education means that many children are not receiving the assistance they need.

## **Rights-Based Approach: Equity and non-discrimination**

Due to the limited coverage of the Single Parent and Foster Care schemes, the social protection system in the Maldives does not guarantee the right to social security for all children, as stipulated in the UN Convention on the Rights of the Child. Further, there are a number of concerns regarding equity in accessing the schemes. There are no provisions made to ensure the accessibility of the application process for persons with disabilities (e.g. brailled forms). Human rights considerations also include the protection of privacy and upholding freedom of information. The right to privacy is insufficiently upheld through the gathering of supporting documents, including educational enrolment documents. Applicants who have been rejected for the Single Parent Allowance cannot access information on the grounds for their rejection, nor are there formal channels through which they can appeal.



## **Recommendations:**

Based on the findings, the following recommendations are put forward. These recommendations were prioritised by the key stakeholders during the validation workshop and are presented in order of priority:

### **1. Establish a robust child protection system with its responsibilities separated from the income support system.**

The conflation of child protection issues with cash transfers undermines the effectiveness of child protection services and increases future problems and the need for support. A child protection system embodies the supply-side investment of social services, through the provision of key public services, while income support implies investment in the demand-side, by strengthening families' incomes to afford essential care and access to services for children.

Embedding social protection schemes in policy and legislation, and separating them from essential social services, is key to strengthening their sustainability and ensuring that they are more efficiently managed.

### **2. Rename the single parent scheme to prevent stigma.**

To avoid the stigmatisation of beneficiaries and their children, this report recommends renaming the Single Parent scheme to de-emphasise single parents – in particular single women – and more clearly communicate the key objective of promoting positive outcomes for children. Child Benefit is suggested as an alternative name for the scheme, while this could be grown incrementally to cover more children outside of those eligible for the SPA.

### **3. Promote the financial and political empowerment of women at island levels, supported by the representation of women on island councils.**

It is recommended that affirmative action is undertaken to increase female representation in island councils, in order to better respond to the needs of women and children. This could include a mandated quota of female members in island councils. Beneficiaries explained that male council members send them to the office of gender affairs if they have any issue relating to women or children (including the social protection schemes).

### **4. Develop an operations manual and training strategy to enhance effective operations at island levels.**

A comprehensive social protection policy that clearly defines and formalises the roles and responsibilities of the NSPA vis-a-vis the Island Councils in administering the social protection schemes should be developed. The policy should be complemented by an operations manual that provides step-by-step guidance on the implementation of the schemes, and an effective training strategy for upskilling government and council employees involved in managing the schemes.



**5. Streamline the application and approval process underpinning social protection programmes into a single registry, remove the PMT and develop a mobile application.**

A digital portal, linked to the central Social Protection Information System, should be created to enhance decentralisation of social protection case management. The portal should be managed by a focal person from NSPA at island level.

**6. Develop a monitoring and evaluation plan with funding.**

A robust monitoring and evaluation plan that provides regular and well-structured coordination mechanisms between different levels of government, simple and action-oriented reporting, clear schedules for support and supervision, checklist-based quality assurance, special investigations, and internal and external audits should be developed. This will ensure that those who the schemes aim to benefit will actually benefit and help to measure the impact and objectives of the scheme.

**7. Give NSPA the mandate for all cash transfers and the policy development and implementation authority.**

A clear definition and scope for the social protection system embedded in national policy and legislation which articulates the goal of providing income support to citizens across the lifecycle should be developed. This will contribute to the longer-term objective of integrating all income support schemes for children, persons with disabilities and old age pensions into a well-coordinated social protection system that aligns with, and helps define and implement the SAP vision.

**8. Reform the current social protection schemes for children to gradually realise the implementation of a universal child benefit and introduce behavioural nudges through the incorporation of top-up mechanisms.**

If the Maldives were to reform its social protection schemes for children and gradually implement a universal child benefit, recipients are able to use the transfers to engage more actively in the labour market. By removing the means test, a universal child benefit reduces the dependency of beneficiaries to live on the benefit as the transfer would aim to provide a minimum income support to supplement income earnings from labour.

**9. Reform the subsidy programme to fund a universal child benefit.**

To overcome the challenges faced by the current system, it is recommended that the GoM reforms its investments in children, to meet international standards, and create more opportunities for future generations to participate in their economy and society. A universal child benefit would achieve this end and ensure no child is left behind.

Reforming the current Social Protection schemes for children into a universal child benefit scheme is likely to result in savings on administrative costs, by simplifying the eligibility criteria and eliminating conditions. It is suggested that a universal benefit would reduce the strains on NSPA which is currently struggling to administer the poverty targeting mechanisms of the SP and FC schemes, as well as compliance to

## *Executive summary*

the conditions of school attendance and vaccination of children below the age of 6 years.

### **10. Conduct research to further the agenda towards social protection for children in the Maldives.**

This includes building a robust evidence case for investing in children in the Maldives, as well as a feasibility study into financing mechanisms for social protection through a fiscal space analysis.

# Table of Contents

<b>Acknowledgements</b> .....	<b><i>i</i></b>
<b>Executive summary</b> .....	<b><i>ii</i></b>
<b>List of Figures</b> .....	xii
<b>List of Tables</b> .....	xii
<b>List of Boxes</b> .....	xiii
<b>Acronyms</b> .....	<b><i>xiv</i></b>
<b>1 Introduction</b> .....	<b>1</b>
<b>2 Context and Background</b> .....	<b>2</b>
2.1 Context.....	2
2.1.1 Standards of living and inequality .....	2
2.2 Objective of the evaluation.....	4
2.2.1 The social welfare system.....	7
2.2.2 Disability allowance.....	7
2.2.3 Unemployment benefit .....	7
2.2.4 Old age pension schemes.....	7
<b>3 Evaluation details</b> .....	<b>13</b>
3.1 Purpose.....	13
3.2 Objectives .....	14
3.3 Scope.....	14
<b>4 Methodology</b> .....	<b>16</b>
4.1 Desk-based review.....	16
4.1.1 Design .....	16
4.1.2 Tool testing and training.....	17
4.1.3 Collection of qualitative data .....	17
4.1.4 Ethical considerations .....	19
4.2 Sample .....	20
4.3 Limitations .....	21
<b>5 Findings</b> .....	<b>22</b>
5.1 On relevance.....	22
5.2 On effectiveness .....	27
5.3 On efficiency .....	32
5.4 On sustainability.....	37
5.5 On being child-focused .....	40
5.6 On a rights-based approach: equity and non-discrimination.....	51
5.7 On Gender Equality.....	54



## Table of Contents

<b>6</b>	<b>Key lessons learned</b>	<b>55</b>
<b>7</b>	<b>Conclusion: towards a comprehensive social protection scheme for children in the Maldives</b>	<b>55</b>
<b>8</b>	<b>Recommendations: towards a comprehensive social protection scheme for children in the Maldives</b>	<b>58</b>
8.1	Establish a robust child protection system with its responsibilities separated from the income support system.	58
8.2	Rename the single parent scheme to the Child Support Grant to prevent stigma.	59
8.3	Promote the financial and political empowerment of women at island levels, supported by the representation of women on island councils.	59
8.4	Develop an operations manual and training strategy to enhance effective operations at island levels.	60
8.5	Streamline the application and approval process underpinning social protection programmes into a single registry, remove the PMT and develop a mobile application.	61
8.6	Develop a monitoring and evaluation plan with funding.	62
8.7	Give NSPA the mandate for all cash transfers and the policy development and implementation authority.	63
8.8	Reform the current social protection schemes for children into a universal child benefit and introduce behavioural nudges through the incorporation of top-up mechanisms.	63
8.9	Reform national subsidy programmes to fund a universal child benefit.	67
8.10	Consider sponsoring further research for child-sensitive social protection in the Maldives.	68
	<b>Bibliography</b>	<b>69</b>
	<b>Annex 1 List of key informants interviewed</b>	<b>72</b>
	<b>Annex 2 Framework for assessing the operations of SP schemes</b>	<b>74</b>
	<b>Annex 3 Background information on the Maldives</b>	<b>78</b>
	<b>Annex 4 Case studies of child-sensitive social protection schemes</b>	<b>82</b>
	Mongolia's Child Money Programme	82
	Iran's universal household transfer	83
	South Africa's Child Support Grant	84
	<b>Annex 5 Social protection targets and activities in the SAP</b>	<b>86</b>
	<b>Annex 6 Field team reflection</b>	<b>88</b>
	<b>Annex 7 Assumptions used for costing a UCB in the Maldives</b>	<b>91</b>
	<b>Annex 8 Evaluation matrix</b>	<b>93</b>

## List of Figures

Figure 3-1: Evaluation of social protection schemes based on OECD's DAC Criteria and a human rights based approach .....	15
Figure 5-1: The different ministries and agencies responsible for implementing the various schemes that can be considered part of the ' <i>social welfare system</i> '. .....	23
Figure 5-2: Social welfare schemes in the Maldives with current levels of investments (as percentage of GDP), mapped across the lifecycle .....	24
Figure 5-3: Institutional organogram of NSPA .....	26
Figure 5-4: Global overview of child benefit transfer values from a select number of lower- and middle-income countries, expressed as a percentage of GDP per capita.....	35
Figure 5-5: Coverage and investments for universal and targeted schemes, comparing the SPA and FCA to the Old Age Pensions .....	36
Figure 5-6: Investment in the social welfare system by sector .....	42
Figure 5-7: Total investment in social security, comparing the Maldives with other middle- and higher-income countries.....	43
Figure 5-8: Investments in child benefits in a select number of countries, latest year available .....	44
Figure 5-9: Decline in human capital returns as a result of lack of early childhood intervention .....	45
Figure 5-10: Changes in the number of children receiving the SP and FC schemes, 2010-2019.....	48
Figure 5-11: Year-on-year change in the real value of the benefit of the SPA and FCA.....	49
Figure 8-1: Potential linkages between management information systems in the Maldives.....	61
Figure 8-2: Potential 'top-up' mechanisms .....	64
Figure 8-3: Proposal for a comprehensive child benefit system with education stipends.....	65
Figure 8-4: Potential investment in the phased in implementation of the proposed child benefit system between 2021 and 2034, as a percentage of GDP .....	66

## List of Tables

Table 2-1: Coverage and expenditure of the Single Parent Allowance, 2018-2019 .....	5
Table 2-2: Coverage and expenditure of the Foster Care Allowance, 2018-2019.....	6
Table 2-3: Summary of main social welfare schemes, including subsidies in the Maldives .....	11
Table 4-1: Characteristics of the sampled islands, including location and number of recipients by scheme .....	20
Table 4-2: Overview of research participants interviewed in each location .....	21

## List of Boxes

Box 2-1: Zakat poor relief scheme .....	10
Box 3-1: The Convention on the Rights of the Child 1989.....	15
Box 5-1: The Vision and Mission of the NSPA .....	25
Box 5-2: A Foster Parent who has not applied for the FC allowance because of lack of awareness .	28
Box 5-3: Discontinuation of the benefit due to misinformation.....	30
Box 5-4: A single mother who was not eligible for SPA because of her father's wealth.....	32
Box 5-5: A Foster Parent who is tired of the court process for legal guardianship .....	33
Box 5-6: A SP allowance beneficiary who did not want to look for jobs for fear of losing the benefit.	39
Box 5-7: A SPA beneficiary whose benefit was withdrawn because he saved .....	39
Box 5-8: Creation of work disincentives associated with poverty-targeting .....	39
Box 5-9: Vulnerable Non-beneficiary Household with Husband and Wife.....	41
Box 5-10: The irreversible effects of underinvesting in young children .....	45
Box 5-11: Case study: a household receiving the Zakat poor relief benefit.....	47
Box 5-12: Vulnerable household with husband and wife .....	47
Box 5-13: A single mother who discontinued sending her son to tuition due to inadequacy of the transfer.....	48
Box 5-14: A SPA beneficiary who claims that the amount is not enough .....	49
Box 5-15: Case study of foster parent family.....	51
Box 5-16: The right to social security in the Universal Declaration of Human Rights.....	51
Box 5-17: Misbehaving SP children facing stigma.....	52
Box 5-18: SP children facing stigma at school .....	52
Box 8-1: The Targeted Subsidies Reform Act in Iran .....	67



## Acronyms

CSO	Civil Society Organisation
CSG	Child Support Grant
DA	Disability Allowance
DAC	Development Assistance Committee
FC	Foster Care
FCA	Foster Care Allowance
FCPD	Family and Child Protection Department
FGD	Focus Group Discussions
GDP	Gross Domestic Product
GEMS	Government E-Letter Management System (GEMS)
GoM	Government of the Maldives
HDI	Human Development Index
HIES	Household Income and Expenditure Survey
ILO	International Labour Organization
MGFSS	Ministry for Gender, Family and Social Services
MIS	Management Information System
MRPS	Maldives Retirement Pension Scheme
MVR	Maldivian Rufiyaa
NGO	Non-Government Organisation
NSPA	National Social Protection Agency
OECD	Organisation for Economic Co-operation and Development's
PSP	Payment Service Provider
PPP	Purchasing Power Parity
PMT	Proxy Means Test
SAP	Strategic Action Plan
SHE	Society for Health Education
SP	Single Parent
SPA	Single Parent Allowance
ToR	Terms of Reference
UCB	Universal Child Benefit
UN	United Nations
UNICEF	United Nations Children's Fund

# 1 Introduction

*“Social Protection in any country plays a vital role in alleviating poverty and inequality in society by increasing human capital through facilitating structural transformation of the economy. It provides access to health care and also scrutinizes income, especially in cases of old age, disability, exclusion, invalidity or loss of the main income earner. To address such vulnerabilities and insecurities, Maldives has introduced social protection initiatives in the form of different financial schemes which include, Single and Foster Parent Scheme, Disability Allowance Scheme, Health Insurance and Medical Welfare Schemes. Some of these schemes are specifically designed for those who are unable to fulfil their basic necessities by themselves. While other schemes are more general, and provides its benefit to all citizens without any classifications.”*

Message by Minister Hon. Shidhatha Shareef at the single parent and foster care evaluation validation workshop, 15 January 2020. Champa Central Hotel, Male, Maldives.

The aim of this study is to assess the extent to which the schemes effectively address the vulnerabilities of children living in Single Parent (SP) and Foster Care families (FC), as well as broader challenges facing children in the Maldives. The Single Parent Allowance (SPA) aims to provide assistance to SP families who struggle to meet financial needs. The scheme targets SP families caring for children below the age of 18 years living under the income poverty line. The Foster Care Allowance (FCA) provides FPs with a monthly cash transfer, per child under the age of 18 years, in addition to a smaller transfer to the guardian that is independent of the number of children in FC. These two schemes are assessed in relation to the wider social protection system in the Maldives.

The report is structured as followed: Chapter 2 discusses the broader context of vulnerability in the Maldives, focusing particularly on the challenges facing children and youth along with mapping the existing social protection system; Chapter 3 provides details on the evaluation logic, purpose, objectives, and scope; Chapter 4 sets out the methodology, sample and limitations used for conducting the evaluation. Chapter 5 presents the findings according to the OECD DAC criteria; Chapter 6 discusses some of the broader lessons learned during the evaluation; Chapter 7 provides concluding remarks and Chapter 8 offers ten recommendations to enhance child-sensitive social protection in the Maldives.

## 2 Context and Background

The United Nations Children’s Fund (UNICEF) has supported NSPA in its social protection programme throughout the 2019 country programme by increasing social protection services, improving targeting mechanisms, and monitoring of the implementation of its national Social Protection schemes.

Since its creation in 2008, the National Social Protection Agency has strengthened its capacity in the areas of coordination, monitoring, and information management systems to improve targeting and to update the registry of beneficiaries to ensure inclusivity of the most vulnerable children.

In line with UNICEF’s promotion of the development and strengthening of integrated social protection systems as a highly effective approach to address the multiple and compounding vulnerabilities faced by children and their families, this study assesses the coverage, accessibility, and sustainability of the Single Parent Allowance (SPA) and Foster Care Allowance (FCA). The study also provides information on the utilisation of the benefit received from each of these schemes and assesses their cost-effectiveness in fulfilling the basic rights of children.

### 2.1 Context

#### 2.1.1 Standards of living and inequality

The Maldives has undergone significant economic growth, coupled with improvements in human development. While the previous Household Income and Expenditure Survey (HIES) in 2009/2010 estimated the national poverty rate at 16 per cent, this had fallen to 8.2 per cent as reported by the latest HIES in 2016. Poverty rates remain the highest in the central and southern atolls. While income poverty rates reduced significantly between 2009 and 2016, from 16 per cent to 8 per cent, the costs of meeting adequate living standards has risen disproportionately. This indicates that poverty is more complex than a single metric based on income or consumption.<sup>2</sup> Therefore, as an alternative metric, the multi-dimensional poverty index aims to capture deprivations experienced in the dimensions of health, education and information, and living standards, through a weighted index that is adapted to the context of the Maldives. Based on the MPI, 28 per cent of Maldivians can be considered to be living in a ‘multidimensional poverty’ based on deprivations in these areas of well-being, while it indicates a significant disparity between Male’ (10 per cent) and the outer Atolls (40 per cent).<sup>3</sup>

Many other challenges face the Maldives and its citizens. Families in the Maldives are highly susceptible to environmental shocks. In the light of climate change and the continuous rise in sea levels, the Maldives is more prone to flooding and other covariate shocks which affect entire communities. Women’s labour force participation rates have declined significantly during the past four decades.

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<sup>2</sup> While the previous Household Income and Expenditure Survey (HIES) in 2009/2010 estimated the national poverty rate at 16 per cent, this had fallen to 8.2 per cent as reported by the latest HIES in 2016.

<sup>3</sup> NBS, OPHI and UNICEF. (Forthcoming). National Multidimensional Poverty in Maldives. Study conducted by the National Bureau of Statistics, Maldives Oxford Poverty and Human Development Initiative (OPHI) and UNICEF Maldives.



## 2 Context and Background

Unemployment rates among women are higher compared to men, at 5.9 per cent compared to 4.8 per cent.<sup>4</sup> Fiscal constraints to job creation in the public sector have contributed to increasing female unemployment because the public sector has traditionally been the largest employer of women in Maldives.

The unemployment rate for the age group 15-24 was 25 per cent in 2010, more than double the unemployment rate of the total workforce (11.8 per cent). The World Bank (2015) reports the lack of economic opportunities being a contributing factor to the rise of social ills such as drug abuse and gang related violence, with young males particularly vulnerable (World Bank 2015). In Male' alone, there are 20-30 active gangs, each with 50-400 members, most of whom sell drugs (World Bank, 2015). Most gang members are under the age of 25 years and often first join a gang while still in school. As well as the desire for belonging and brotherhood, another commonly cited reason for joining a gang is for protection against threats and cash (Sobir et al. 2014). Moreover, a number of sources report that religious conservatism in the Maldives, coupled with an increase in external religious extremist influences, is a key challenge facing Maldivian society (Sobir et al. 2014; Roul, 2013). This is in line with findings derived from qualitative research for this evaluation. Religious extremism was commonly expressed by informants as a social issue affecting youth and adolescents who were thought to be exposed to this via social media and gang networks.

While primary school enrolment rates are high, these rates start to decline sharply from the age of 16, particularly in the outer atolls. Nationwide, nearly one third of children aged 17 years have dropped out of school, while out-of-school rates are higher in the outer atolls (33 per cent of boys and 35 per cent of girls) (Ministry of Education 2019). With a lack of access to sexual and reproductive health information and contraception, teenage girls are increasingly susceptible to unwanted pregnancy. Marriage and pregnancy at an early age, geographical isolation and social norms restricting women's mobility are factors that decrease the life chances of adolescent girls (World Bank 2015).

In the Maldives, the migration of people between Male' and the other atolls is mainly associated with the search for employment, health and educational services. Many of the families initially classified as Internally Displaced People after the Tsunami, moved to the capital Male', which is now as densely populated as Manhattan (Sobir et al., 2014). Education is the main reason people migrate from the atolls to Male' (National Bureau of Statistics, 2014). Due to this, enrolment is declining in schools on the atolls. In response, in 2014, the Maldivian Ministry of Education endorsed a policy on Multi-Grade Teaching to address the shortage of teachers in outer atolls (Ministry of Education 2019).

The geographical fragmentation and multiplicity of the islands negatively impacts affordability of building quality social service infrastructures in the atolls. The main challenge facing the health sector in the atolls is the lack of qualified doctors and nurses and the inability to service necessary facilities due to affordability, inadequacy

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<sup>4</sup> NBS. 2014. Women in Maldives: employment. National Bureau of Statistics Male', Republic of Maldives. Retrieved from <http://statisticsmaldives.gov.mv/nbs/wp-content/uploads/2016/03/Womens-Day-Employment.pdf>.

## 2 Context and Background

of budgetary allocations and low tax revenues. As a result, local health clinics often refer clients to the Male' hospital, even for minor illnesses (Sobir et al. 2014).

In conclusion, the susceptibility of Maldivians to vulnerability is increasingly impacted by structural changes in society resulting from cultural, religious and environmental factors. Geographical fragmentation and a small yet widely dispersed population make provision of infrastructure and services difficult. This has led to overcrowding in the capital Male' as people migrate for employment and education. Despite strong economic growth in recent decades, the Maldives' economy remains vulnerable to external shocks, particularly global food prices. While strong gains have been made in reducing extreme poverty, these gains have not been universal as inequality is increasing. Further, the Multi-dimensional Poverty Index indicates that despite a reduction in monetary poverty, living standards remain low for many families with children.

### 2.2 Objective of the evaluation

The Maldives' social protection system for children comprises two child-specific schemes, both of which are means tested: the Single Parent Allowance and the Foster Care Allowance. The Government of the Maldives (GoM) employs an on-demand registration, which subsequent enrolment based on a targeting mechanism for both the SP and FC schemes. These two schemes are evaluated as part of the GoM's wider social protection system.

#### Single Parent Allowance

This programme was initiated in May 2010 after an announcement by the then President of the Maldives. Since its inception, the scheme has provided a monthly cash transfer to single parents amounting to MVR 1,000 (US\$ 64.8) per child under 18 years of age, up to a maximum of MVR 3,000 (US\$195) per family.<sup>5</sup> The SPA was implemented in response to the increasing rates of divorce in the Maldives and the subsequent challenges faced by single parents caring for children. The programme is managed by the NSPA.

Beneficiaries have to apply proactively for this scheme. There is no mechanism for the identification of beneficiaries by NSPA or other agencies. Applicants to the SPA must meet a number of conditions in order to qualify for the benefit.

- The parent is not married (i.e. widowed, divorced or never married);
- the SP should have an income level less than the threshold decided by the government;
- children below the age of six must be fully vaccinated; and,
- children of school age (6 – 17) must be attending school.

Therefore, the parent or guardian of the child is required to submit either a proof of vaccination or a referral letter from the school to verify a child's enrolment and

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<sup>5</sup> The means test for the Single Parent Allowance is set at the 2016 HIES poverty line. The National Poverty Line in the 2016 HIES is set at half the median of total consumption, equivalent to MVR 74 per person, per day.

## 2 Context and Background

attendance in school. Both documents only need to be submitted once, upon registration for the benefit or when a child reaches the appropriate schooling age.

When the scheme was implemented, each single parent could only receive benefits for a maximum of three children below 18 years of age. Recently the NSPA has adopted a number of reforms in order to improve access to social protection schemes. In 2019, the maximum number of children in one household for which the benefit could be received was raised to ten children per household.<sup>6</sup> Also since 2019, children receiving the SPA can also qualify for the Disability Allowance whereas a household could previously only apply for one type of benefit.

The amount of people below the age of 18 years is approximately 120,500 (or 22.3 per cent of the total population). According to the national poverty line in 2016, the poverty rate among children is 10.1 per cent. Table 2-1 shows the number of beneficiaries that have been reached by the SPA during 2018 and 2019.

**Table 2-1: Coverage and expenditure of the Single Parent Allowance, 2018-2019**

2018			2019		
Recipients		Expenditure (MVR)  (US\$ 3,344,000)	Recipients		Budget (MVR)  (US\$ 2,456,000)
Parents	Children		Parents	Children	
2,592	4,359	51,465,000	2,419	4,119	37,800,00

Source: Government of the Maldives National Statistical Yearbook 2019; Government of the Maldives Budget in Statistics 2019. Note: Figures for 2019 are expressed as budget predicted for 2019.

### Foster Care Allowance (FCA)

This programme was also initiated in May 2010 along with the SPA, after an announcement by the then President of the Maldives. It provides for a monthly cash allowance to foster parents amounting to MVR 1,000 (US\$ 64.8) per child under 18 years of age under their foster care and MVR 500 (US\$ 32) for the guardian (irrespective of the number of children in foster care). The eligibility criteria and conditions for FCA are the same as that of the SP scheme with some additional requirements: that the children being fostered are either orphaned, abandoned, or children whose parents are in prison or children whose parents are unable to take care of them (e.g. due to substance abuse). Evidence of legal guardianship from the courts must be provided to apply for the FCA.<sup>7</sup>

The FCA was implemented in 2010 as a benefit to families caring for children who have lost the support of their immediate family network. Applicants to the scheme are required to have obtained legal guardianship over the child through the court system after the family has been identified as a suitable carer by a panel, consisting of various representatives from the health, education ministry and other

<sup>6</sup> Further in this report the problems with using households rather than families as the unit are discussed.

<sup>7</sup> Social Protection in Maldives: A Mapping Assessment.

## 2 Context and Background

departments. The process for identifying fostering families is led by social services under the Ministry of Gender, Family and Social Services (MGFSS), with the aim of exploring the ability of extended family members to take care of the child before they are placed in institutionalised care.

Under Sharia law, adoption is not possible, but in practice fostering and adoption are labelled the same. If a couple cannot conceive and look after a baby indefinitely it is called “fostering” in the Maldives. After the 2016 Social Protection Act, the Foster Care Scheme targeted foster parents who lived below the poverty line. With this decision it excluded those who would fall in the ‘adoption’ category because they had to be well off enough for a court to grant them custody. However, this decision also excluded many actual foster parents.

The other type of foster care occurs when a family member, close friend or relative knows the child and agrees to help raise them on either a short- or long-term basis, or indefinitely. Many carers in this category do not follow the court application process and instead opt for informal fostering. This is either because respondents believe there is no need to formalise the arrangement within families or because the court process to approve legal guardianship is drawn out and complicated. It can take 1-2 years for the court to award legal guardianship and the process involves paperwork that is beyond the capabilities of many foster carers in this category. Alternatively, it involves getting parental signatures who may be on a different island, whose whereabouts are unknown. Many are unaware of the scheme and do not realise they are eligible for financial support.

When a carer applies for the FCA, the Ministry for Gender, Family and Social Services (MGFSS) undertakes an in-depth assessment of their suitability. This includes checking their criminal records, medical records, as well as financial means to care for the child and other relevant criteria. The findings of this assessment are submitted to the FC Panel for decision. The FC Panel consists of doctors, Education Ministry representative, Health Ministry representative, and other stakeholders. The panel decides whether applicants are eligible to foster a child or not. In the meantime, the MGFSS places the child under temporary care with the fostering family. Following approval by the panel, the MGFSS sends the documents to the family court (or any court) to request legal guardianship on behalf of the state. The carer is then granted legal guardianship. The FC has small reach (see Table 2-2) and without nationwide figures for the number of foster care arrangements it is impossible to estimate its coverage of eligible families who foster.

**Table 2-2: Coverage and expenditure of the Foster Care Allowance, 2018-2019**

2018			2019		
Recipients	Children	Expenditure	Recipients	Children	Budget
Guardians			Guardians		
		(MVR)			(MVR)
107	147	2,386,000	106	144	2,400,000
		(US\$ 155,000)			(US\$ 156,000)

Source: Government of the Maldives National Statistical Yearbook 2019; Government of the Maldives Budget in Statistics 2019. Note: Figures for 2019 are expressed as budget predicted for 2019.

## 2 Context and Background

### 2.2.1 The social welfare system

This section outlines schemes within the broader social protection sector that are currently considered part of the Maldives' social welfare system with the aim of providing income support to its citizens. The mandate for social protection is embedded within the Ministry of Gender, Family and Social Services (MGFSS), with the effective delivery of social protection schemes administered by the NSPA. Governance arrangements for social protection schemes have undergone a significant transformation following a change in Government leadership as a result of the 2018 Presidential elections. Prior to 2018, the mandate for social protection and oversight of NSPA, was positioned under the Ministry of Health.

The definition of social protection is broad and consists of social security, social assistance and welfare programmes (Government of Maldives, 2019). As a result, the Government of the Maldives includes the provision of social healthcare insurance within the system of income support. In addition, national subsidy programmes have a complementary role in the Maldives' social welfare system, and are regarded as essential schemes providing income support to households. What follows is a mapping of what is considered the social welfare system's schemes.

### 2.2.2 Disability allowance

After the enactment of the Disability Act in 2010, the GoM implemented a national disability registration process, followed by the implementation of the Disability Allowance in 2011. Persons with disabilities who have completed a formal registration process, including undergoing a medical assessment, receive a monthly benefit of MVR 2,000 per month. The benefit value is a fixed amount regardless of the degree of disability of the applicant. Eligibility for the scheme is solely determined by the assessment conducted by a medical professional, without a means test. All persons living with a disability aged below the official retirement age of 65 years can access the scheme. This scheme also covers children, and the allowance is paid to their carer until the child turns 18, in which case it is paid to them.

### 2.2.3 Unemployment benefit

The GoM is in the process of formulating a national unemployment benefit to be administered and implemented by NSPA. The benefit package, eligibility criteria, funding resources, operational guidelines and payment mechanisms are set to be developed by 2021. Early discussions suggest it will not be a contributory, nor an insurance scheme.

### 2.2.4 Old age pension schemes

The Maldives' pension system evolved from 2007, when the current retirement age of 65 years was introduced. The initial pension system in the Maldives was implemented based on a retirement benefit for civil servants. In 2009, the government implemented a significant change, with the introduction of the Maldives Pension Act and the formation of the Maldives Pension Administration Office (MPAO). Under this Act, two particular pensions were outlined: an (Old Age) Basic Pension Scheme and the Maldives Retirement Pension Scheme (MRPS), a



## 2 Context and Background

mandatory defined contribution scheme reaching those in the formal sector as well as enabling voluntary contributions (Nizar & Rasheed, 2016).

### Old Age Basic Pension (including Senior Citizens' Allowance)

The Maldives' Basic Pension was introduced in 2009, as a tax-financed social pension that provides all citizens aged 65 years and above with a minimum income guarantee of MVR 2,000 per month. With the implementation of the Basic Pension Scheme Act in 2012, the amount of the Basic Pension was raised to MVR 2,300 in order to reflect changes in living costs (Nizar & Rasheed, 2016). The Basic Pension was introduced jointly with the Maldives Retirement Pension Scheme (MRPS) as part of a two-tiered pension system under the 2009 Maldives Pension Act. Therefore, the Basic Pension was tapered in line with contributions into the MRPS. In 2018, there were 16,835 recipients of the Old Age Basic Pension.<sup>8</sup>

In 2014, the GoM implemented the Senior Citizens' Allowance which provided a top-up of the Basic Pension in order to ensure that older persons aged 65 years or above are guaranteed with a minimum income of MVR 5,000, regardless of the income earned from a different pension scheme. Therefore, the universal top-up provided through the Senior Citizens' Allowance has not been subjected to a tapering mechanism. As a result, the number of recipients of the Senior Citizens' Allowance in 2018, reaching 17,310 older persons aged 65 years or above, exceeded the number of recipients of the Old Age Basic Pension.<sup>9</sup>

As reported in 2019, the Old Age Basic Pension and the Senior Citizens' Allowance are regarded as a universal Basic Pension guaranteeing all older persons aged 65 years or above with a minimum pension of MVR 5,000.<sup>10</sup> The amount of the universal Basic Pension is subjected to a tapering mechanism, which reduces the pension received from the Basic Pension by 50 per cent of the amount received by the MRPS.

### Maldives Retirement Pension Scheme

The MRPS is a mandatory defined contribution retirement pension for workers in the formal sector. The mandatory contribution is 14 per cent of the basic salary, divided equally between employer (7 per cent) and employee (7 per cent). The scheme is also accessible to foreign workers, self-employed workers and those in the informal sector who may contribute on a voluntary basis. The Pension Fund prevents withdrawals from the fund before the participant reaches the age of 55 years. Total contributions into the MRPS amounted to MVR 3 billion at the end of 2014 (Nizar & Rasheed, 2016). Pension income from the MRPS can be accessed by members of the fund upon reaching the official retirement age of 65 years. However, the pension may be accessible from an early retirement age of 55 years.

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<sup>8</sup> Source: Maldives National Statistical Yearbook, 2019.

<sup>9</sup> Source: Maldives National Statistical Yearbook, 2019.

<sup>10</sup> Source: Maldives Pension Administration Office (2019). Retrieved from <https://en.pension.gov.mv/scheme/basic-pension-scheme-en>.

## 2 Context and Background

### Civil service pension schemes and other pension funds

In addition to the Old Age Basic Pension, Senior Citizens' Allowance and the MPRS, various state institutions offer institution-specific pension schemes. However, these schemes exist outside of the Maldives Pension Act. With the ratification of the Civil Service Act of 2008, public servants above the age of 65 years still in service received a long-term service allowance as an interim solution before the introduction of the 2009 Pension Act. The scheme provided public servants with a lump sum amount, equal to half of their average working annual salary after remaining in service for 20 years. If the public servant had remained in service for 40 years, the full amount of the accumulated salary was paid upon retirement. Therefore, the scheme did not provide a regular, pension income but rather a top-up of the existing salary to ensure that public servants received financial remuneration upon retirement. The long-term service allowances, which are not funded out of contributions, continue to be provided by a number of state institutions.

Discussions have taken place on the harmonisation of the pension system with the aim of phasing out additional lump sum benefits extended to retirees in addition to income from the social pension schemes and MRPS. However, further plans to ratify a Pension Harmonisation Bill are still pending. Nonetheless, the SAP outlines targets to streamline the pension fund in coordination with other social protection benefits and strengthen the Pension Act.

### Health insurance

The Aasandha Social Health Insurance Scheme finances all health services to Maldivian nationals residing in the Maldives (foreigners residing in the Maldives are ineligible). The scheme was implemented in 2012, replacing the existing health insurance scheme Madhana which provided limited financing of health costs faced by certain groups in the population, including civil servants. In addition, the Mirana scheme, established in 2019, finances 65 per cent of the cost of health services for Maldivian nationals living in India and Sri Lanka. While the name of the scheme suggests that the scheme is financed as a social insurance mechanism, Aasandha is effectively a tax-financed scheme, financed entirely from Government revenues. Therefore, its objective as a public health scheme is comparable to the UK's National Health Service (NHS). Aasandha is legally underpinned by the 2016 Social Protection Act, and the 2011 National Health Insurance Act, which stipulates the provision of social health insurance through a private entity. As a result, Aasandha was formed as a joint venture with a life insurance company, with 60 per cent of shares owned by the GoM and 40 per cent owned by the life insurance company. However, in 2014, Aasandha became a fully state-owned company.

Aasandha provides full coverage of the cost of health services acquired in public hospitals and health facilities. Treatment obtained through private providers is partially covered by Aasandha through a co-payment mechanism. Therefore, patients may still face a number of out-of-pocket costs, including medication and assistive devices. Furthermore, Aasandha covers transportation costs for emergency medical treatment and annual medical check-ups for people over the age of 30 years and children under the age of 18 years. However, the scheme does not meet the costs of transportation and other out-of-pocket costs, such as accommodation, for

## 2 Context and Background

routine medical services and treatments deemed non-urgent. In cases where the costs of health services cannot be met by Aasandha, patients can apply for financial assistance under the Emergency Medical Welfare Scheme, administered by NSPA. NSPA reports that it spends about 80 per cent of its time dealing with medical welfare claims, emphasising the heavy administration burden this places on NSPA.

### Box 2-1: Zakat poor relief scheme

Financed separately through an Islamic social relief fund, the Ministry of Islamic Affairs of the GoM administers the Zakat scheme for the poor. This scheme provides families in the Maldives living in poverty with a cash transfer twice a year. The Zakat fund is based on donations. It is customary to donate 2.5 per cent of total income when the per capita income of a family is above a given threshold, equivalent to the value of 75 grams of silver in that given year. Due to the nature of the fund being based on voluntary donations, it is collected by the Maldives Inland Revenue Authority (MIRA) but separated from general public investments.

Similar to the SP and FC schemes, the registration and means test is implemented through paper-based forms. Eligible beneficiaries are required to prove that they are living on MVR 75 or less, per person per day. In addition, eligibility for the scheme takes assets into account in order to determine whether the family has other forms of wealth, such as property. As the threshold for the means test has not been revised since 2016, the number of beneficiaries of the Zakat scheme is decreasing. While 12,000 families in the Maldives received the Zakat in 2016, this has decreased to 8,764 families in 2019. The amount of the transfer varies, depending on the size of the fund each year, but typically varies between MVR 1,000 and MVR 2,000 (USD 65 -130) per person per month.

In addition to the Zakat cash transfer scheme, the fund provides financial assistance for those with chronic illnesses, education scholarships and for those that have incurred large debts. It should be noted that Zakat is not formally considered to be part of the social protection system, as it is a religious scheme with a primary objective of ensuring participation in almsgiving. For these reasons it is regarded as a core income support scheme outside of the social welfare system.

## 2 Context and Background

**Table 2-3: Summary of main social welfare schemes, including subsidies in the Maldives**

SCHEME	NUMBER OF RECIPIENTS	SOURCE OF FINANCE	ELIGIBILITY CRITERIA	MONTHLY TRANSFER VALUE <sup>11</sup>	ANNUAL TRANSFER VALUE (% of GDP per capita)	ANNUAL BUDGET MVR	ANNUAL BUDGET (US\$) (million)	ANNUAL BUDGET (% of GDP)
<b>SOCIAL SECURITY</b>								<b>1.86%</b>
<b>CHILDHOOD</b>								<b>0.05%</b>
Single Parent Allowance	4,119 (children)	TF	Single parents caring for children below the age of 18, living below the poverty line (HIES 2016)	1,000	5.3%	37,800,000	2,456,000	0.05%
Foster Care Allowance	144 (children)	TF	Foster parents that have legal custody of children deprived of their own family environment, living below the poverty line (HIES 2009)	1,000 per child; 500 per guardian	5.3%; 2.7%	2,400,000	156,000	0.00% <sup>12</sup>
<b>DISABILITY</b>								<b>0.19%</b>
Disability Allowance	7,771	TF	Persons with disabilities who have undergone a medical assessment to confirm their disability status	2,000	10.7%	155,000,000	10,071,000	0.19%
<b>OLD AGE</b>								<b>1.62%</b>
Old Age Basic Pension	16,835	TF	Maldivian citizens aged 65 years or above that do not receive more than twice the amount of the basic pension from any other pension scheme	2300 <sup>13</sup>	12.3%	443,153,000	28,793,000	0.54%

<sup>11</sup> 500MVR = 32USD.

<sup>12</sup> Rounded from 0.003% of GDP.

<sup>13</sup> Old Age Basic Pension is reduced by 50 per cent of MRPS if member receives MRPS pension.

## 2 Context and Background

Senior Citizen Allowance	17,310	TF	Maldivian citizens aged 65 years or above	Top up to ensure minimum of 5,000	26.7%	550,824,000	35,789,000	0.67%
Maldives Retirement Pension Scheme	1,259	Funded scheme	Members of the Maldives Retirement Pension Scheme that have contributed, and have reached the age of 65 years or qualify for early retirement from the age of 55	N/A	N/A	58,619,000	3,809,000	0.07%
Other Pensions	7,200	TF		N/A	N/A	280,561,000	18,229,000	0.34%
<b>ISLAMIC RELIEF</b>								<b>0.08%</b>
Zakat (total Zakat fund)	8,764	Zakat Trust Fund	Families on the Zakat poor list living on less than 75 MVR per person per day	Variable	Variable between MVR 1,000-2,000	68,535,000	4,453,000	0.08%
<b>HEALTH</b>								<b>3.57%</b>
Aasandha 'Social Health Insurance'	339,997	TF	Universal	N/A	N/A	2,864,400,000	186,109,000	3.49%
Emergency Medical Welfare	5,790	TF	Based on case-by-case review of applications	N/A	N/A	-	-	0.09%
<b>SUBSIDIES</b>								<b>1.10%</b>
Food subsidy	483	TF	Universal	N/A	N/A	254,400,000	16,530,000	0.31%
Electricity subsidy		TF	Universal	N/A	N/A	183,200,000	11,904,000	0.22%
Other subsidies		TF	Universal	N/A	N/A	466,700,000	30,323,000	0.57%
<b>TOTAL</b>								<b>6.54%</b>

Source: NSPA National Statistical Yearbook, 2018 (actual expenditure, beneficiaries); Ministry of Finance Budget Yearbook 2020 (budgets); Ministry of Islamic Affairs.



## 3 Evaluation details

While significant shifts have been made in recent years, most notably in the areas of health care financing and universalising a basic pension for the elderly (provided to all older persons age 65 years or above), and although there is recognition for the need for a comprehensive framework, social protection programmes in the Maldives continue to have several gaps specifically in terms of their coverage and accessibility. At present there is no systematic mechanism to ensure that those who are deemed eligible are covered by various social protection programmes, in particular, the social transfer programmes. Recent monitoring of the social protection schemes revealed that approximately 10 percent of the beneficiaries receiving SPA are married though it is not reported to NSPA. NSPA requested UNICEF's assistance in conducting an evaluation of the SPA and FCA so as to inform:

- i. the progress made in implementing the Social Protection schemes
- ii. the challenges faced and how they can be addressed
- iii. the ways the Social Protection system can be scaled up or enhance coverage
- iv. enhanced partnership and leverage more funding of child sensitive social protection
- v. capitalise on the political appetite for reform in the country.

### 3.1 Purpose

The purpose of the evaluation is to deliver a comprehensive examination of two core social protection programmes – the SPA and FCA schemes – run by the Maldivian NSPA. The core administrative processes, delivery modalities and institutional provisions are assessed to see the extent to which the schemes are properly implemented and managed to address the vulnerabilities they are meant to address.

The intended audience of this evaluation is implementing and non-implementing bodies relevant to the Social Protection sector in the Maldives, including: National Social Protection Agency, other government departments in the Maldives, UNICEF Maldives, and non-government stakeholders within the Maldives, such as development partners interested in social protection and researchers of social protection. The findings will also contribute to the global evidence body on social protection schemes.

## 3.2 Objectives

The objectives of the evaluations are to:

- Inform the progress made in implementing the Social Protection schemes;
- Identify the challenges faced and how they can be addressed;
- Evaluate how the programmes can be scaled up or increase coverage;
- Enhance partnerships and leverage more funding for child sensitive social protection.

## 3.3 Scope

There are many social transfer schemes in Maldives<sup>14</sup>. However, this study focuses solely primarily on the SPA and FCA. Nonetheless, these two child-focused schemes are assessed within the wider social protection system in the Maldives. In line with questions in the terms of reference, the team evaluates the extent to which the core administrative processes are implemented according to the schemes intentions. It also examines the institutional provisions supporting the implementation of the schemes.

The evaluation examines the relevance, effectiveness, efficiency, and sustainability of these schemes against the Organisation for Economic Co-operation (OECD) and Development's Development Assistance Committee (DAC) criteria (see Figure 3-1). The evaluation was not set up to assess impact, in the absence of baseline data or other means to pursue data collection efforts, but potential impact is discussed and contextualised by qualitative research findings. The evaluation is only focused on the implementation aspects of the GoM schemes and does not cover UNICEF programming activities or support. However, in line with UNICEF evaluation standards, the thematic scope includes the human-rights based approach, a gender and a child-sensitive lens.

The entire assignment is conducted and completed between October 2019 and January 2020 and data was collected on the following islands and atolls: Nyaviyani Atoll Fuvahmulah; Seenu Atoll Feydhoo (Addu); Haa Dhaalu Atoll Kulhudhufushi; Laamu Atoll Maavah; Lhaviyani Atoll Naifaru; and Male. While the findings did not draw on a nationally representative survey, they aim to inform the national implementation of the schemes by assessing the existing experiences with these schemes across the Maldives.

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<sup>14</sup> Social transfer schemes in Maldives includes Single Parent Allowance, Foster Parent Allowance, Disability Allowance, Old Age Basic Pension, and Cash Assistance to Poor and Needy Under the Islamic Fund Zakat (See Social Protection in Maldives: A Mapping Assessment).

**Figure 3-1: Evaluation of social protection schemes based on OECD's DAC Criteria and a human rights based approach**



Source: Authors' own creation based on Organisation for Economic Co-operation (OECD) and Development's Development Assistance Committee (DAC) criteria.

In order to apply a human rights-based approach and gender lens, the analysis covered the particular challenges facing women and men in the socio-cultural context of the Maldives, as well as analysing concepts of stigma and social roles to identify specific barriers that may be faced when accessing social protection schemes. The team designed the tools to help capture the specific barriers that may be faced by female headed households in terms of applying for the scheme (e.g. access to information) and in terms of being successful applicants (e.g. administrative burden). The team assessed the extent to which eligibility criteria may unintentionally lead to the exclusion of girls and women, and enable or constrain gender equity in unpaid care work and women's access to labour markets. Past studies have shown the potential for negative and even harmful outcomes of cash transfer programmes, such as increases in emotional and physical gender-based violence, when gender considerations are not taken into account during its design and operations.

Recognising the right to social security as embedded in core international and national legal frameworks underpinning social protection policies, the study regards social protection schemes as entitlements (see Box 3-1). One part of our analysis will be to understand if the schemes in the Maldives are considered entitlements and whether they are implemented in line with key rights principles.

#### Box 3-1: The Convention on the Rights of the Child 1989

Article 26 recognises for every child the right to benefit from social security, including social insurance. Article 27(1) recognises the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development.

## 4 Methodology

The research team adopted an exploratory, descriptive and case study approach to the evaluation, using qualitative and participatory tools, including focus group discussions and in-depth interviews as well as quantitative data to contextualise qualitative findings and provide analysis of the wider social protection system. In addition to the primarily qualitative approach, the team conducted a costings analysis of the potential for a child-sensitive social protection scheme, with projected costs for an inclusive child benefit system to be implemented between 2021 and 2034. The evaluation included the following stages:

### 4.1 Desk-based review

The first stage of the evaluation incorporated a desk-based review of key literature and Government documentation to gain an understanding of the context within which the two social protection schemes operate, focusing on the vulnerabilities facing families with children.

In addition, secondary data from existing surveys and Government administrative data was collected to contextualise qualitative findings and provide analysis of the wider social protection system. The research team used a range of quantitative data sources and administrative data to support the evaluation and contextualise findings obtained through primary qualitative data collection. The key data sources used for the evaluation are listed below:

- NSPA management database
- 2016 Household Income Expenditure Survey
- 2016/17 Demographic and Health Survey
- 2014 Census
- 2018 National Statistical Yearbook
- 2020 Ministry of Finance Budget Yearbook of the National Social Protection Agency

#### 4.1.1 Design

An in-depth framework for assessing the core operations of social protection schemes guided the development of the questionnaires/data collection tools. As there was no theory of change for the programme, the evaluation matrix in Annex 8 outlines how questions aligned to key components of the analytical framework and the framework for assessing operations of social protection schemes.

## 4 Methodology

### 4.1.2 Tool testing and training

The instruments were translated into Dhivehi and then explained to the national data collectors and translators. Together, the teams tested the tools for comprehension while collecting data in Kulhudhuffushi. A few words and questions were changed accordingly. This is never a guaranteed process, however. After a few interviews were completed, it became apparent that explaining the life cycle – which was used as a framework for understanding key vulnerabilities – to some people was more time consuming than to others who understood the idea more easily. If people did not easily understand the concept, then the next question was asked to avoid biasing the data.

### 4.1.3 Collection of qualitative data

Central to this evaluation is the collection of qualitative data about the schemes. This was based on interviews conducted in Male', as well as six other islands across five different Atolls that are geographically spread across the Maldives. The qualitative research consisted of three research teams (one team was a solo Maldivian national and the other 2 teams comprised a Maldivian national plus an international researcher).

The main tools used for the primary data collection consisted of key informant interviews, in-depth interviews and focus group discussions. The interviews were semi-structured, with the aim of making the tools more participatory and enabling the research participants themselves to shape the direction of the discussion.

**Key informant interviews:** Interviews were conducted with a broad range of stakeholders in Male', as well as various island level stakeholders, comprising different Government departments and line ministries, international UN agencies and partner organisations, Non-Government Organisations (NGO) and Civil Society Organisations (CSO). The key informant interviews were used to obtain detailed information on the social protection sector and the operation of the social protection schemes, as well as valuable insights on the context of vulnerability and effectiveness and sustainability of the social protection sector.

**Focus groups discussions:** Focus group discussion were carried out with adult men and women who were not receiving the SP and FCA but were "well connected with the community". The focus group discussions were used to capture public perceptions surrounding the schemes' operations and accessibility, including opinions on targeting efficacy and enrolment processes, and the impact of the schemes on the lives of recipient families as well as the wider community. The focus group was based on an interactive tool, during which research participants were asked to draw a map of the community, and subsequently identify categories of vulnerable groups in society. The research participants were encouraged to discuss the various characteristics that determine perceived vulnerability on their island.

**In-depth interviews:** In-depth interviews were held with community members, including beneficiaries of the SP and FC schemes as well as non-beneficiaries. Beneficiaries were identified with the support of the island council who supplied detailed recipient lists. Based on the findings from the focus group activity, non-

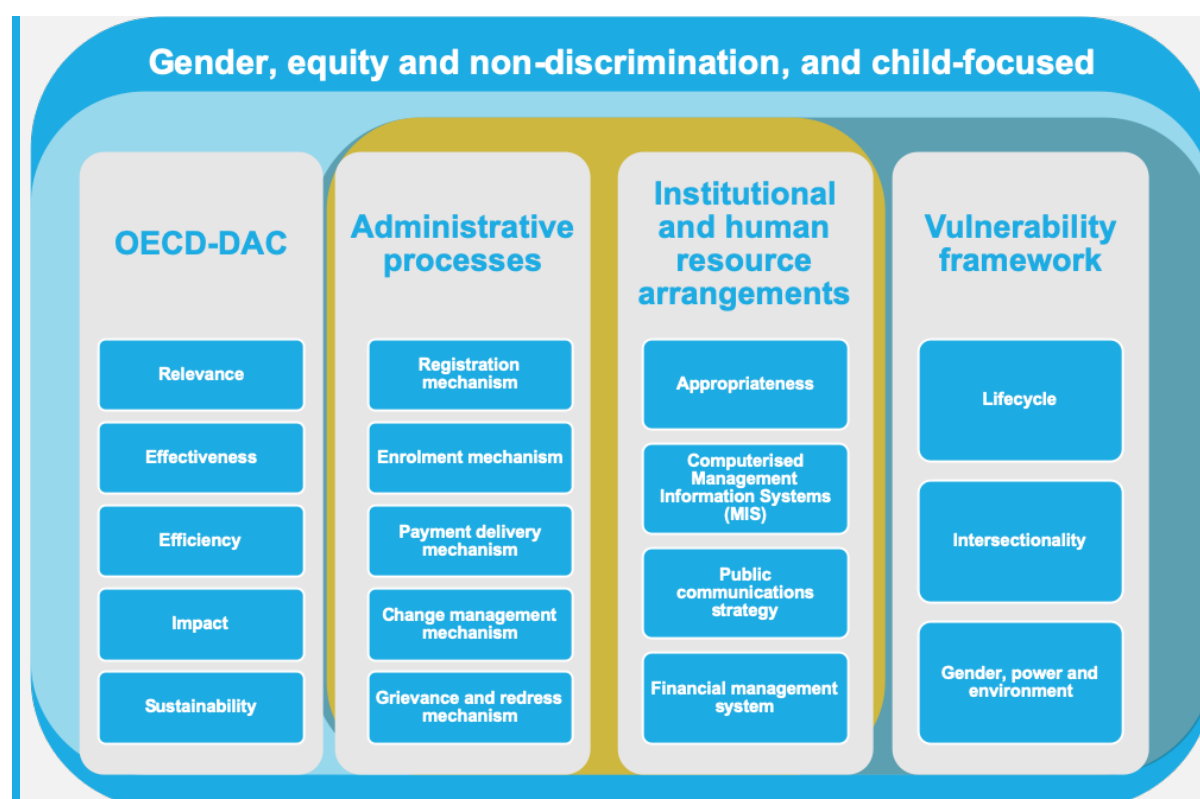


## 4 Methodology

beneficiaries were identified for the in-depth interviews based on their perceived vulnerability within the community. In addition, because it was difficult to find foster care families from the council's lists – as a result of low coverage of the scheme –, we asked those being interviewed if they knew of any foster families on the island. This assisted in increasing the number of foster families able to be interviewed.

### Analysis

The analysis followed a framework for assessing the operations of social protection schemes to examine the transcriptions according to the administration processes and institutional and human resource arrangements. The core themes used for the first level coding appear in the below figure under administrative processes and institutional and human resource arrangements. As quotes were found that related to the theme they were placed under the column. The next level of coding was according to the vulnerability framework themes. The data was then grouped into the OECD-DAC evaluation criteria. Two criteria were added during the final analysis: 'gender, equity and discrimination' and child-focused to emphasise these important components. The findings were triangulated through secondary data sources, international comparisons and best practices found during the literature review.



Source: Authors' own creation.

**Costing of universal benefit:** Using a combination of the data sources mentioned in the desk based review, in addition to UN population statistics (2019) and economic indicators from the IMF World Economic Outlook database 2019, the research team conducted a costings analysis of the potential for a child-sensitive social protection system, with projected costs for an inclusive child benefit system to

## 4 Methodology

be implemented between 2021 and 2034. A number of assumptions were used for the costing analysis, which can be viewed in Annex 7.

**Validation:** Two workshops were held with stakeholders. One occurred at the end of the data collection phase and presented preliminary findings. The second one occurred on January 15th 2020 and involved 40 participants who validated the key findings and recommendations. Where the phrasing or certain aspects of the findings and recommendations were not endorsed, these were adapted for the final report. In this way, the evaluation has been validated and all findings and recommendations appearing in this report were endorsed by relevant stakeholders present at the workshop.

### 4.1.4 Ethical considerations

This research was carried out with strict adherence to ethical principles and procedures adapted from global standards outlined by European Social and Economic Research (ESRC), one of the main regulatory bodies for research carried out by UK firms and universities. It also complied with UNEG ethical norms and standards for evaluations and was conducted with professionalism and integrity.

At the outset, the research team applied to the Maldivian National Bureau of Statistics (ethics clearance) and secured the necessary permission to conduct the research. This included submitting all data collection instruments, translated instruments in Dhivehi and the informed consent statement in English and Dhivehi plus the sampling strategy and methodology.

Participation in the research was voluntary and no one was forced in any way to participate in the research. No compensation was offered, although focus group discussion participants were offered refreshments in terms of a drink (juice box) and snacks. The research participants were assured of the confidentiality of the information they gave and kept accordingly so as to avoid any harm that might come as the result of participation in the study. The research teams were trained on use of the tools, the informed consent and conducting research with sensitivity. The researchers were informed that the interview could be terminated if the interview caused an adverse response (e.g. crying), if a respondent was too busy or if for any other reason the respondent would not wish to participate in the research.

The team leader has a CITI research ethics certificate. The purpose of the research as well as its intended benefits and the identity of the researchers was clearly and transparently communicated to the research participants through an informed consent statement. For accountability, safeguarding and empowerment purposes, research participants were given a printed copy of the informed consent statement to keep which had the contact address of concerned UNICEF personnel in case participants wanted to communicate concerns or complaints about the research.

In the FGDs, all participants were given equal chance to speak and be treated equally in a dignified manner. The interviews and FGDs were conducted in local languages that the research participants understand. Participants volunteered to partake in the study and were treated without any discrimination during the course of the evaluation. The interviews were conducted in locations where the interviewee felt

## 4 Methodology

most comfortable and this was frequently in their home. Questions were asked sensitively, in a supportive and non-judgemental manner, keeping in mind the realities of social stigma associated with being a single woman.

The identity of the interviewees has been anonymised in the research report to keep the privacy of the informants and protect them from any harm that might arise in the process. References were made only to their vulnerability status and their location leaving out their personal names. The actual recordings and transcriptions of the words of the informants were accessible only to people involved in the research process. Data collected from research participants have been carefully and correctly represented in a manner that avoids misstatements, misinterpretations, or fraudulent analysis.

### 4.2 Sample

In total, the team visited six outer islands across five different atolls, in addition to conducting interviews with stakeholders and residents in Male'. The study aimed to capture varying contexts and hence chose islands with larger recipient populations of the SPA, as well as a number of islands with smaller numbers of beneficiaries. Additionally, geography was a factor in choosing the islands. The sample took into account Northern, Central and Southern islands in the Maldives, conducting interviews across both urban, densely populated areas and more remote islands. Table 4-1 provides an overview of the islands sampled.

**Table 4-1: Characteristics of the sampled islands, including location and number of recipients by scheme**

Location (north, central, south)	Remote/accessible	Name	Number of persons covered under the different social protection schemes by island, 2019			
			Single Parent allowance		Foster Care allowance	
			Parent	Children	Parent	Children
North	Main island	Male'	682	1,032	27	30
South	Populous island	Nyaviyani Atoll	106	197	11	17
South	Accessible outer island	Fuvahmulah Seenu Atoll Feydhoo (Addu)	28	53	1	2
Central	Populous island	Haa Dhaalu Atoll Kulhudhufushi	93	169	2	2
Central	Remote outer island	Laamu Atoll Maavah	15	25	0	0
Central	Accessible outer island	Lhaviyani Atoll Naifaru	54	80	2	2

Source: Administrative data provided by NSPA for 2019

A detailed overview of the number of interviews conducted across Male' and the outer islands can be found in Table 4-2. The stakeholders interviewed includes government, non-government, teachers, health workers, community leaders and island councils.

**Table 4-2: Overview of research participants interviewed in each location**

	Addu	Kulhudhuffushi	Naifaru	Fuvahmulah	Maavah	Male'	Total
KII	6	5	6	8	8	16	49
Recipients of the Single Parent Allowance	5	5	7	5	4	3	29
Recipients of the Foster Care scheme	-	2	2	3	-	1	8
Council (NSPA in Male)	3	4	2	2	4	5	20
Ministry of Gender	2	3	2	2	-	1	10
Total FGD participants	11	21	8	11	11	-	62
No. of FGDs	2	2	1	2	2	-	9
Total	27	40	27	31	27	26	178

### 4.3 Limitations

There are a number of limitations to this study. Out of date lists provided by NSPA meant more time than planned was spent finding beneficiaries and this reduced the sample size. Overall, the number of beneficiaries receiving the FCA was low, due to the limited coverage of the scheme and low awareness of the schemes among the Maldivian population. Therefore the number of FCA respondents was low. Verbatim notes were not taken due to funding restrictions on the time allocated for the national researchers to translate and transcribe. Where possible, the interviews were recorded but some participants chose not to have the interview recorded. This limited the richness of beneficiary voices being captured. It also meant only thematic coding could be used consistently.

Timing was inappropriate. The beginning of the school holidays occurred November 10 – 30, 2019 which resulted in a lack of transportation options and consequently alternative islands had to be chosen for the sample. The team were able to select other geographically similar islands and islands with a similar population size to visit instead.

Due to budgetary constraints for undertaking this study, no impact evaluation was conducted nor mixed-methods research to collect both quantitative and qualitative primary data. There was not enough time or budget to conduct a survey and there has been no baseline data to compare findings against. Consequently, only qualitative data was collected, which complemented by the desk review of secondary data.

## 5 Findings

This section highlights the main findings of the evaluation and groups them under the headings of the OECD-DAC evaluation framework. A short definition of the OECD-DAC criteria is provided before the statement of findings.<sup>15</sup>

### 5.1 On relevance

Definition of the criterion: Measures how well the schemes outcomes align with the objectives of the schemes and how relevant the schemes are to the intended beneficiaries' needs. Analyses the extent to which the schemes are in line with national strategies and priorities in the Maldives.

**Finding No. 1: The current approach to social protection is fragmented and ill-defined. It falls short of the desired “social welfare system” envisioned in the SAP.**

The Government's ambition to develop a child-sensitive social protection system is set out clearly in the SAP 2019-2023. By 2023, the GoM plans to *‘revise benefit packages of existing social protection programmes designed towards protection of children to ensure income security for vulnerable children.’* The SP and FC allowance legislation is currently being revised by the MGFSS, with the Regulation on Fostering to be effective by 2021. A number of improvements can be made to ensure the two child-sensitive schemes are more relevant to the intended beneficiaries' needs. Part of improving relevance is to examine the social protection system as a whole.

The SAP is the GoM's national poverty reduction strategy and it has a commendable vision on social protection and generally, the schemes align with national strategies and priorities of the GoM. The set of programmes and interventions that can be regarded as social protection, as a national sector, are not embedded within a single policy or legislation in the Maldives. The Social Protection Law (2/2014) outlines the responsibilities of the NSPA. According to GoM's Strategic Action Plan (SAP)<sup>16</sup> 2019-2023, social protection comprises a broad definition consisting of social security, social assistance and welfare programmes (Government of Maldives, 2019). The NSPA manages the following programmes:

1. Single Parent Allowance
2. Foster Parent Allowance
3. Disability Allowance
4. Fishermen's Income Assurance Scheme
5. Medical Welfare
6. Husnuvaa Aasandha
7. Food Subsidy

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<sup>15</sup> For more information on the OECD-DAC criteria please see: <http://www.oecd.org/dac/evaluation/49756382.pdf>

<sup>16</sup> In other countries this is often referred to as the national development plan.

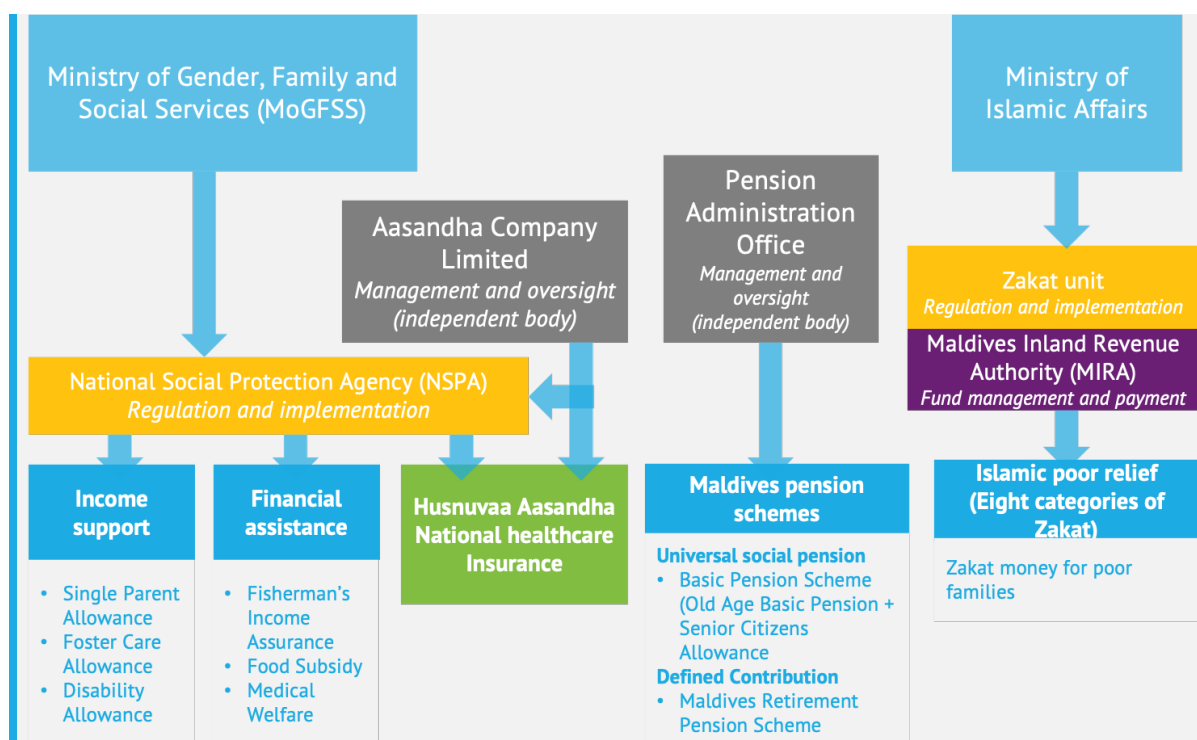


## 5 Findings

Components of Assandha and Medical Welfare are considered the responsibility of NSPA, but the definition of social protection, as set out by the SAP, is not clear on the inclusion of health as part of the social protection sector.

The NSPA was formed under the National Social Health Insurance Act on 27th August 2008 and mandated to administer the National Social Health Insurance Scheme. An executive order under the same Act mandated NSPA to conduct social protection programmes identified by the GoM. However, NSPA does not implement other lifecycle social protection schemes, including poor relief schemes and income security for older persons, which are separately managed and implemented by the Ministry of Islamic Affairs and the Maldives Pension Administration Office respectively (see Figure 5-1).

**Figure 5-1: The different ministries and agencies responsible for implementing the various schemes that can be considered part of the ‘social welfare system’.**



Source: Authors' creation based on information gathered through key informant interviews.

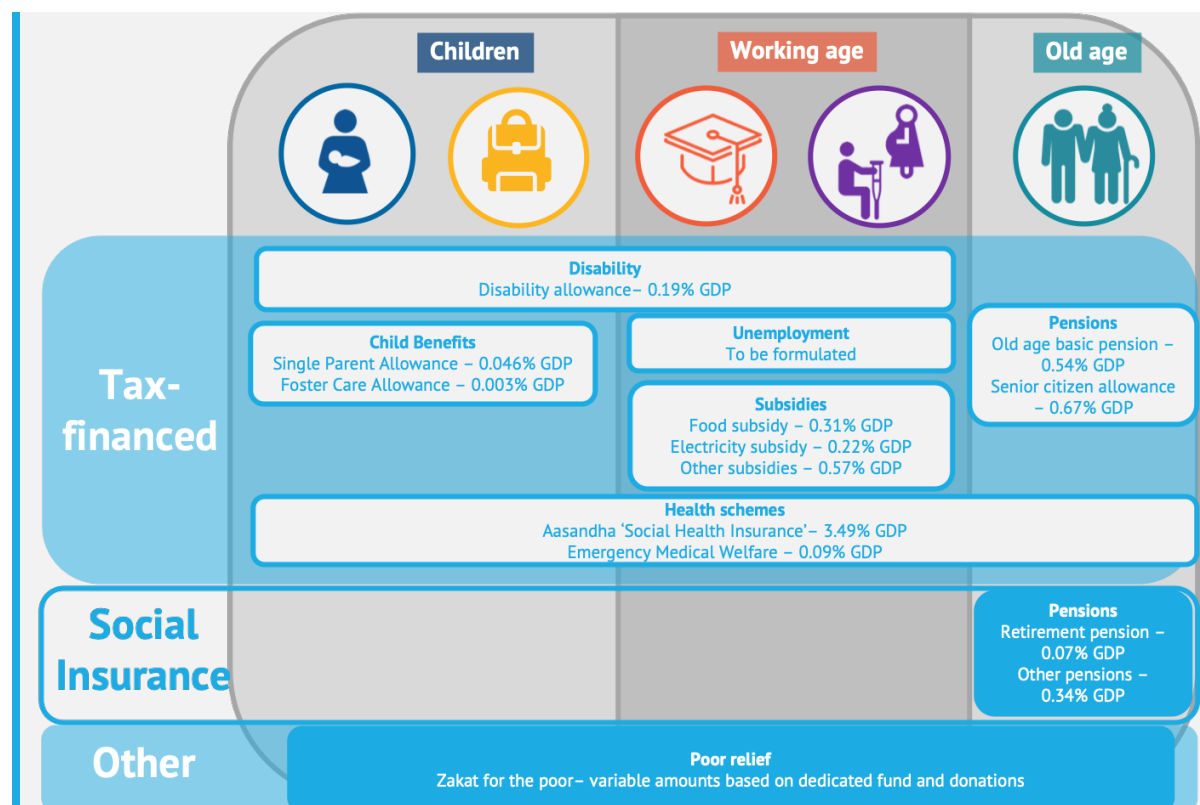
The mandate for social protection is embedded within the MGFSS, with the effective delivery of social protection schemes administered by the NSPA. The mandate for the delivery of the Aasandha Health Care Scheme and Medical Welfare Scheme is also positioned within the MGFSS, with the responsibility for administration of both schemes positioned within NSPA. However, in practice, the Aasandha Health Care Scheme is effectively managed separately by a board of representatives and implemented by the Aasandha company although financed through government revenue. The role of NSPA in the implementation of the Aasandha Health Scheme is

## 5 Findings

limited to the management of co-payments made by applicants through accessing private health services.<sup>17</sup>

The SAP 2019-2023 includes the establishment of a minimum social protection floor, and strengthening of the legal and regulatory framework to ensure the quality and efficient provision of social protection services (Government of Maldives, 2019). By 2023, the GoM aims to establish ‘a **well-coordinated social welfare system**’, in which ‘at least 70 per cent of the **most eligible** are benefitting from a harmonised social protection mechanism’. This is a commendable target but the ‘most eligible’ are not clearly defined and neither is ‘well-coordinated’. As illustrated in Figure 5-2, social welfare schemes in the Maldives broadly aim to provide income support to citizens across the lifecycle. However, disparities in levels of investments and under coverage of certain lifecycle stages, in particular children and persons with disabilities, indicates that lifecycle income support and the idea of a social floor appears in the SAP but not in practice.

**Figure 5-2: Social welfare schemes in the Maldives with current levels of investments (as percentage of GDP), mapped across the lifecycle**



Source: Authors’ creation based on Government of the Maldives National Statistical Yearbook 2019; Government of the Maldives Budget in Statistics 2019. Note: Calculations using GDP figures are based on IMF World Economic Outlook Database.

<sup>17</sup> Source: Key Informant Interview with Aasandha Company.

### **Finding No. 2. There is a misalignment between the NSPA mission and mandate to formulate policies on social protection, and their ability to effectively exercise this mandate.**

There is a significant discrepancy between the engagement of policy actors within the MGFSS, and its delivery agency, the NSPA. Through the incorporation of social protection as one of its core mandates, the MGFSS embodies a broad range of responsibilities regarding the wider social sector stretching from those who have experienced *'neglect, abuse and violence'* alongside *'working towards the rights of vulnerable groups'* to enriching *'the lives of children, women, elderly and persons with disabilities in the Maldives.'* While positive in the sense that the GoM recognises the importance of social protection as a core element of protection of citizens across the lifecycle, in practice it means the MGFSS is stretched too thin due to its mandate of providing core social services, including social care and protection of all groups in society. Moreover, with only some schemes in its mandate, NSPA can only offer citizens limited coverage.

#### **Box 5-1: The Vision and Mission of the NSPA**

**Vision of NSPA:** To protect the Maldivian citizens from the effects of poverty and work for the betterment of the society providing the aids the government fixes as social aid.<sup>18</sup>

**Mission of NSPA:** 'To introduce and establish a social protection package that minimally protects from the effects of poverty, provides suitable opportunities and creates the building blocks for a social protection system that works for the betterment of the community. To improve the current system in a way that aid can be provided in the best and unbiased manner and reduce the cost of the system in the place used to provide social relief/aid, protect the social aspects and costs from any economic downturn or fluctuation and establish a system that can carry out these costs in a suitable manner.'<sup>19</sup>

The administrative structure of the NSPA is depicted in the following organogram in Figure 5-3. The Single Parent Allowance (SPA) and Foster Care Allowance (FCA) are managed by the Safety Nets Unit within the Program Implementation Division. The Safety Nets Unit has inadequate human resource capacity to effectively manage the SPA and FCA, with only three staff members responsible for administering the schemes, including all data entry, verification and approval of scheme applicants.

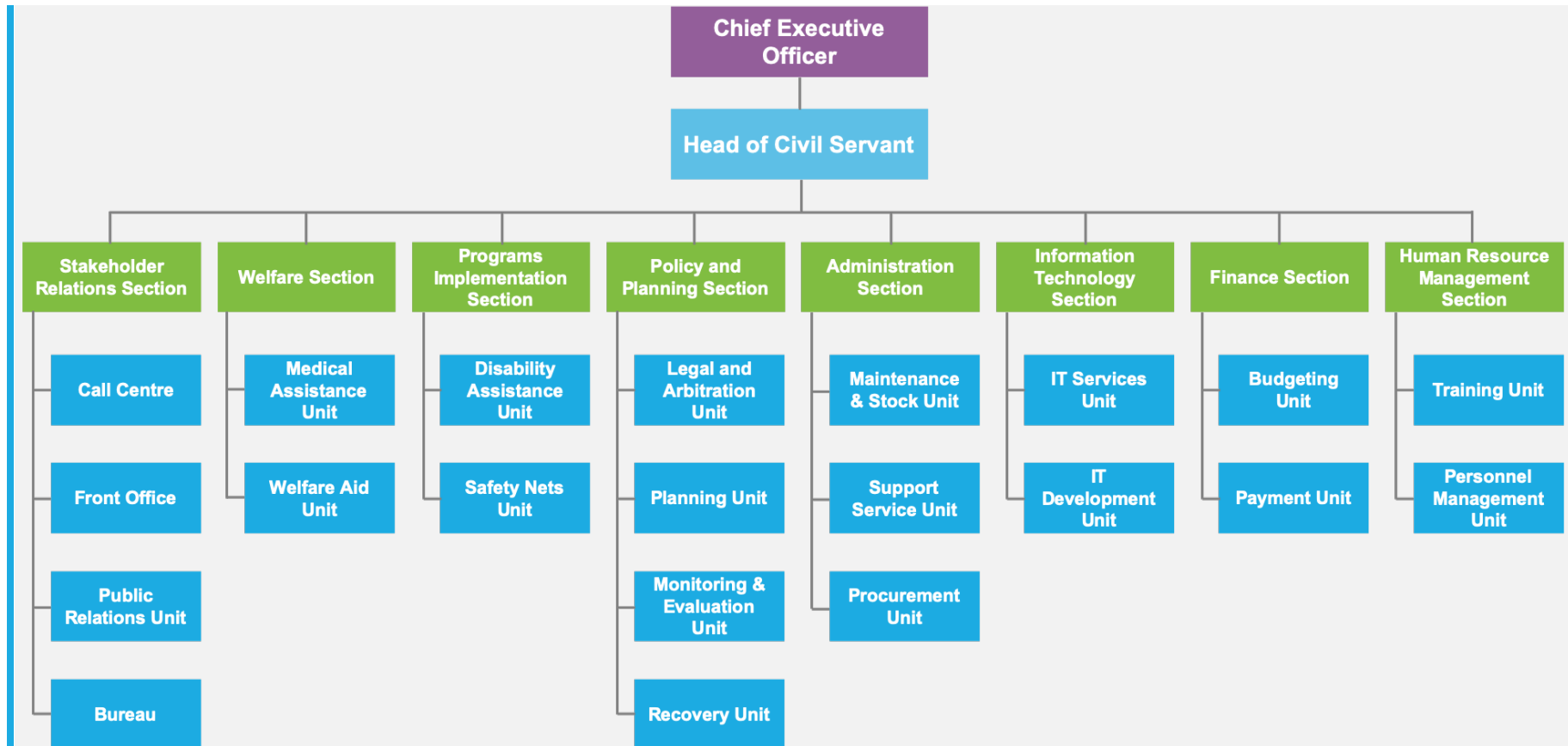
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<sup>18</sup> <http://www.nspa.gov.mv/v2/index.php/mission-and-vision/>

<sup>19</sup> <http://www.nspa.gov.mv/v2/index.php/mission-and-vision/>

## 5 Findings

Figure 5-3: Institutional organogram of NSPA



Source: Authors' own creation based on information gathered through key informant interviews.

## 5 Findings

### **Finding No. 3. The schemes do not align with a decentralisation strategy because the council only has an administrative (“post-box”) role.**

Social protection schemes are managed centrally in Male'. The NSPA does not have a formally mandated organisation that works as part of its structure to administer the schemes at the local level. The local councils and Family and Child Protection Department (FCDP) of the MGFSS support NSPA related activities at the local level but they do so as a public service rather than a formal responsibility. For example, councils may collect and send forms to the NSPA on behalf of applicants, but they are not formally required to do so.

On occasion, applicants may also appeal to the island council if their application is rejected by NSPA. This is ineffective, as councils do not officially carry the responsibility of processing grievances. Councils may enquire at the front desk of the NSPA on the applicants' behalf but often complaints to the councils are not examined for many weeks. Family and Child Protection Department (FCPD) workers may also help in communicating people's complaints to the NSPA through the councils but there is no formal obligation for them to do so. Council members often expressed dissatisfaction with this arrangement, and with the level of communication, contact and information that they receive from NSPA on the social protection schemes. Though many people ask the councils to help them with matters relating to the social protection schemes, there is no one in the council trained by the NSPA to assist with this. This is in contrast to other sectors where training is provided to councils that execute works at the local level.

Further, although the NSPA provides a list of beneficiary names to the councils, it does not communicate the outcome of individual applications. The councils lament that although they receive the complaints from applicants, they have no visibility over the NSPA Management Information System (MIS) or the reasons why someone's application was rejected. A number of respondents, including stakeholders expressed the need for more two-way communication with NSPA.

## **5.2 On effectiveness**

Definition of the criterion: Measures the extent to which the schemes are inclusive of the intended recipient groups and achieves its objectives by addressing income insecurity among children in the Maldives.

### **Finding No. 4: The public are not well informed about the purpose and scope of the schemes, nor how to apply to access the schemes. Using SMS as the only form of communication means many people do not know about the status of their application.**

NSPA has good intentions to reach out to all citizens and according to an officer at the programme department of NSPA, information dissemination is one area where the NSPA needs improvement. The NSPA has a call centre with a short code and fully functioning counters with short service and full information. People can also receive information through emails and Government Information Systems called GEMs. The NSPA receives applications from the islands through info mail. The island councils usually send applications through GEMs although they can also use

## 5 Findings

info mail. The NSPA call centre receives calls between 08.00-14.00. The call centre has three staff members who can provide information on request. People can also get information at the NSPA office counter. However, unless people are aware of the schemes and how to access information on them, the information services offered by NSPA are futile.

An information campaign was undertaken by NSPA in the last two years to give more visibility to the SP and FC schemes. As part of this, a road show was provided in Male' and the atolls and information was provided via the radio, television and newspaper. Apart from these activities, the NSPA has not established a systematic communication strategy for awareness raising in the islands. Many people, including government officials contacted for this evaluation, did not have information about the FCA. In addition, changes to the scheme are not proactively made available to the wider public. The lack of a communication strategy and active outreach programme means that those who are eligible in the islands are not receiving the information they need to access the social protection schemes.

### **Box 5-2: A Foster Parent who has not applied for the FC allowance because of lack of awareness**

A 42-year-old woman is fostering her 16-year-old sister. The girl's mother is imprisoned for a drug-related case. Her father is deceased. She gained legal guardianship of her sister 3 years ago. She had friends in the council who helped her with the forms and filing the case at court and helped her receive the legal guardianship. Yet she did not apply for the FC allowance because she was not aware of the scheme at the time and none of her friends at the council told her about it.

The NSPA sends an SMS message to the applicants' phone to confirm the receipt of the application. The outcome of the application is also communicated via SMS message. This is problematic if a SIM card is changed or lost part way through the process.

People in the community misunderstand the eligibility criteria, the administrative procedures involved as well as the rights and responsibilities required of the beneficiaries. Once approved, the applicants have to sign an agreement in which they declare that they will inform the NSPA if their economic or marital status changes or if they change address. According to beneficiaries this rarely happens.



## 5 Findings

### **Finding No. 5: The Proxy Means Test (PMT) and information management do not serve the best interests of those eligible. The cross-verification of income declared for the means-test through a PMT leads to exclusion of eligible recipients.**

The SPA and FCA are electronically managed by the Social Protection Information System (SPIS) within NSPA. A central MIS is used for the registration, enrolment, payment disbursements and general case management of the schemes' recipients in a central database. The MIS serves to digitalise the form-based application for the SP and FC schemes. As such, the application form meets the needs of the MIS, rather than the needs of applicants. The SPIS files additional documentation submitted by the applicant, such as a divorce certification, or proof of vaccination and/or school attendance to meet the conditions for the scheme.

The SP and FC schemes each include an individual window built into the SPIS for the computerised management of each social protection scheme. Due to the similarity in operations of each cash transfer, both windows incorporate the same design for the MIS. Upon registration, each applicant receives a unique identifier code that enables case-by-case management for each applicant.

A key objective of the SPIS is the verification of eligibility for the SP and FC schemes based on self-declared income and expenditure as well as the built-in proxy means test (PMT). The PMT is generated based on a set of welfare proxies determined by household information, including household composition, demographic information of household members and asset ownership. The SPIS automatically generates a PMT score based on the inputted information, in order to estimate the likelihood that the applicant lives below the poverty line. The PMT is used to verify the information provided by applicants, and serves to indicate a potential discrepancy between self-declared information on income and the welfare proxies. Applicants are accepted or rejected for the scheme based on the result of the PMT. The SPIS generates an automatic text-message which informs applicants of the result of their application process. The design of the PMT does not enable reporting on the reasons why someone's application was denied. The main way to appeal a decision is to re-apply. All other information regarding the scheme, including changes in eligibility status and payment confirmations are communicated via SMS.

In order to enforce compliance to the conditions of the scheme, requiring proof of vaccination and school attendance, and enable change management of the system, the SPIS aims to monitor changes in the welfare situation and eligibility status of the applicant. However, there are a number of challenges in relation to monitoring. In the application form, applicants are required to sign a declaration that they will inform NSPA with changes to the household's income situation. However, it is unclear to applicants how this information is to be communicated especially when incomes are volatile. The SPIS is not yet integrated with other databases, such as the civil registration databases, education MIS and health MIS to support the monitoring of eligibility status. Therefore, information on vaccination and education attendance need to be re-submitted by the applicants themselves, in case of any changes to the situation of the child.

## 5 Findings

Upon approval for the scheme, the recipient is placed on the payroll and starts receiving a monthly cash disbursement paid directly into the recipient's bank account. The SPIS generates a historical overview of payment disbursements for each applicant.

### Box 5-3: Discontinuation of the benefit due to misinformation

A 33 years old woman (1 male child of 13 years, living in Male') received the single parent allowance from 2010 – 2013. But it was discontinued after that. After 3 months of the allowance not being deposited, she visited NSPA to check on the issue. They informed her that the allowance was discontinued because they got the information that she remarried, which was not true. So she submitted many complaints and visited NSPA several times. On each of these occasions, they told her that they will check and call me back, but she never got an update. She then submitted a fresh application, which was rejected as her mother was earning an income of MVR 15,000 at the time. She said that *"This is quite an unfair procedure. I believe that I should be evaluated based on my situation, not based on mother's income, from which the household was being managed"*.

Further integration between different MIS systems would allow for better monitoring of the social protection schemes and ensure that they are reaching the intended population. NSPA is currently undergoing discussions to establish linkages between different databases, including potential linkage between the SPIS and the Education MIS.

### Finding No. 6: Citizens do not have the opportunity to offer feedback on the design of the social protection schemes. Participatory monitoring and evaluation of the social protection schemes does not exist.

Most of the beneficiaries believe that access to the social protection schemes is not an entitlement but that the state is under moral obligation to support vulnerable groups. Most beneficiaries have never participated in discussions with officials on the social protection schemes. Even so, many of the beneficiaries are aware that complaints and appeals are lodged with the NSPA as the decision-making body for the schemes. However, they do not know what the appeals process involves, nor do they understand the workings of the NSPA. Those beneficiaries without strong networks are also reluctant to make complaints or appeal decisions, as they believe they will not be listened to.

When an application is rejected based on the PMT, the NSPA relies on the island councils to verify reported income and where beneficiaries are living. This only happens rarely as many reports of people being removed from the scheme without council visits and without an explanation were heard. the NSPA is unable to tell people why they were rejected based on the PMT, and this is a large source of frustration. Without an effective grievance mechanism in place, a well-intentioned scheme has become one that the citizens lament.

### Finding No. 7: Measuring the potential impact of the two social protection schemes was challenging because there was no monitoring and evaluation nor a results framework to guide the evaluation.

Existing monitoring mechanisms in the Maldives are operated on an ad-hoc basis. The verification of the changes to beneficiaries' eligibility/status that the NSPA

## 5 Findings

makes through the councils is not enough. NSPA has not conducted an evaluation to assess how the social protection schemes are being implemented nor have they assessed the impact of the schemes. Moreover, public opinion towards the schemes should be intermittently checked.

Due to the lack of proper monitoring, people have low confidence in the fairness of the scheme. The beneficiaries and non-beneficiaries alike stated that some undeserving people are getting the benefit because of connections to influential people. Some eligible people are not included because of different factors, which could be lessened if the NSPA had a strong monitoring mechanism. NSPA staff completed some home visits to the atolls and found that out of 52 beneficiaries of the SP and FC schemes who were assessed, 13 (25 per cent) were no longer eligible or ineligible in the first place.<sup>20</sup> Putting in place strong and systemic monitoring and evaluation mechanisms serves to close these loopholes.

The high divorce rate in the Maldives indicates that households continuously change in structure and children experience rapid changes in their home environment. Due to data gaps on the number of SP families that are eligible for the transfer, it is difficult to estimate the overall efficacy of the enrolment mechanism in ensuring that all eligible citizens are receiving the transfer. While this highlights the need to address administrative challenges in the registration and enrolment process, it also emphasises significant scope to improve the coverage and targeting efficacy of the scheme (Sobir et al., 2014).<sup>21</sup>

Most respondents were not aware of changes to the form and hence did not know that if they reapplied they would be eligible. Many female SPs interviewed for this evaluation explained they had experienced gender-based violence and that was why they were divorced.<sup>22</sup> Not all of these women were able to access the benefit, despite applying more than once. They were never told why they were rejected but felt it was to do with their living arrangements. Many move in with family after leaving a violent husband and this prevented them from being eligible until recently because the PMT use to consider the entire household's assets. This is a welcome reform that will ensure more women are able to access the benefit.

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<sup>20</sup> UNICEF. Social Protection Schemes in the Maldives: An Assessment.

<sup>21</sup> The Ministry of Finance and Treasury and UNDP. 2014. Bridging the Divide: Addressing Vulnerability, Reducing Inequality, Maldives Human Development Report 2014; Social Protection in Maldives: A Mapping Assessment.

<sup>22</sup> If participants started crying during the interview, the interview was paused until the crying had finished. The respondent was comforted during this time. The interviewer offered to end the interview.

## 5 Findings

### Box 5-4: A single mother who was not eligible for SPA because of her father's wealth

A 28-year-old single mother was divorced for 5 years and has two children who are 7 and 6 years old. The court ordered alimony during the divorce. However, she has not received any money through the court for the 5 years even though her ex-husband has a high-level job in a prominent resort in the city. She is now living with her father and mother and has no income of her own. She went to the council to get registered for the SP allowance twice, but they turned her down saying that she would not be eligible because of her father's wealth. Her father is a wealthy man in the island. Since she does not earn an income and it is very difficult to live, she relies on her father for everything. She is trained in beauty and makeup but there is no market for that on the island. She cannot afford to live elsewhere. She hopes that something good will come from the information she is providing for this study.

### 5.3 On efficiency

Definition of the criterion: Cost benefit analysis of the schemes, analysing investment against measured impacts. Identifying potential inefficiencies.

#### Finding No. 8: The registration forms are complex, costly and time consuming.

The registration mechanism is designed in such a way that applicants who fulfil the eligibility requirements specified by the NSPA must proactively initiate the application process. The applicants have to fill in an application form and present the required documents to prove that they are eligible. Applications can either be made through the island councils or directly to the NSPA. As application to the schemes is voluntary, NSPA only has information on the people that have applied. There is no information on how many SPs or FC parents there are in the Maldives.

The complexity of the registration process is often singled out as the most challenging obstacle for the applicants to overcome even if they are technically eligible for the schemes. During the evaluation, respondents reported difficulties with completing the application form, the large number of supporting documents required and the cost (estimated at MVR 150) of obtaining these documents as barriers to applying for either scheme. Because of this some people choose not to apply, even when they would benefit from the allowance.

The application form for both schemes is complex. Forms with even minor errors have to be redone which is time consuming and frustrates the applicant. In most cases, applicants seek the support of a friend, acquaintance or political member to assist with form filling. Some applicants seek assistance from councils or FCPD case workers, but in general the councils do not take a proactive role in ensuring that those who are eligible are able to access the scheme. It was reported that some applicants evade the verification process and get access to the schemes undeservingly through different manipulations. This is due to weaknesses in the verification/monitoring mechanism, while no evidence has been generated on cases of fraud.

Applicants to both the SP and FC schemes are required to submit a number of documents as part of their application. Documents required include: a National ID, birth certificates, vaccination records, marriage and divorce certificates, verification

## 5 Findings

of school enrolment and attendance, gas and electricity usage and bank statements. Applicants often face considerable obstacles in obtaining these documents.

### Box 5-5: A Foster Parent who is tired of the court process for legal guardianship

A grandfather and a grandmother are looking after their 5-year-old grandson. His mother is a drug user and she is in jail. The child was born out of wedlock. They do not know about the FC allowance and they do not know that they can apply. They still do not have legal guardianship of the child and the court proceedings are still ongoing. It has been 1 year since they filed the case. They feel that it is too much of a hassle for the documentation, and process to get registered in such schemes. It is too time consuming for people like them to go back and forth to court, council and other authorities. They do not have much confidence and trust in the system.

A National ID is issued to parents on presentation of a birth certificate. Birth certificates are issued by the city councils and island councils with both the mother's and father's details. However, children born out of wedlock face difficulty in providing the fathers' details. Different respondents had a different understanding on whether a birth certificate is issued if the father's details cannot be provided. Some informants suggested such children are given a temporary birth certificate until an investigation into the father is completed by the police. Informants were uncertain if a temporary birth certificate was acceptable for the SP scheme applications. Most suggested the mother would wait until the social vitriol had subsided before leaving the house to apply at the council. Only after the single mother is sentenced in accordance with Sharia law would she attempt to apply to any scheme.

Marriage and divorce certificates are issued by the Family Court. In order to avoid registering people who have reunited early in the separation, a three months grace period is applied after which the divorce certificate is issued. Applicants also have to provide the NSPA with a referral letter from the school to verify a child's enrolment and attendance. Where school attendance is low, the chance of an application getting rejected is high. If children are not attending school it is difficult to get the school letter. Currently, school attendance is only relevant during the application stage. However, with the integration of the education data management system with the NSPA system, it will be possible to monitor school attendance throughout the period of receiving the SPA or FCA.

In order to be eligible for the Single Parent Allowance, applicants are required to reveal private information on their single parenthood status with other community members, including schoolteachers and health workers which can affect their social standing in the community. A school principal on a large island explained during an interview that the only way she knew who was divorced was when they came in to ask for their child's enrolment form. Hence, a beneficiary's right to privacy is not upheld. Moreover, the conditions placed on the programme based on education attainment and immunisation places responsibility for compliance on women, reinforcing their roles in society as carers.

Bank statements are difficult to obtain in remote areas where there aren't any banks. For instance, applicants from Laamu Atoll Mavaah have to travel long distances to Fonadhoo, the main island in Laamu Atoll, for bank statements. This can take a whole day and is expensive for people with limited income. Transportation from Mavaah to Fonadhoo costs MVR 22 by ferry and MVR 150 by taxi. The bank

## 5 Findings

provides temporary services at Mavaah once a month but only for an hour or so and such a statement has to be pre-ordered.

People with disabilities living in the islands particularly face difficulty in getting access to the DA and the application process for the FCA and SPA is not disability friendly. The disability benefit process requires all applicants to be assessed in Male'. This is not possible for many families because, although Aasandha covers the medical bills, the accommodation and the cost of living in Male' is not covered and is expensive. The disability assessment mechanism itself is a medical assessment only.<sup>23</sup>

Some applicants commented that the council refused to accept their application form sighting them as “not eligible” even though they had completed the form. Once potential beneficiaries have initiated the application process, it takes 1-3 months to get registered for the SP scheme and even longer for the FC scheme. The eligibility, and application process is challenging for many respondents.

### **Finding No. 9: The schemes have significant administration costs and consequently are not delivered efficiently.**

One way to benchmark social protection transfers, is to compare the transfer value of other social protection schemes for children, as a proportion of GDP per capita. Figure 5-4 provides an overview of the level of the transfers provided through child benefit schemes globally, expressed as a percentage of GDP per capita to allow for cross-national comparison. When compared to other child benefits across lower- and middle-income countries, the transfer provided by the SPA, at 5.4 per cent of GDP per capita, appears to be equal to other countries with child benefit schemes.

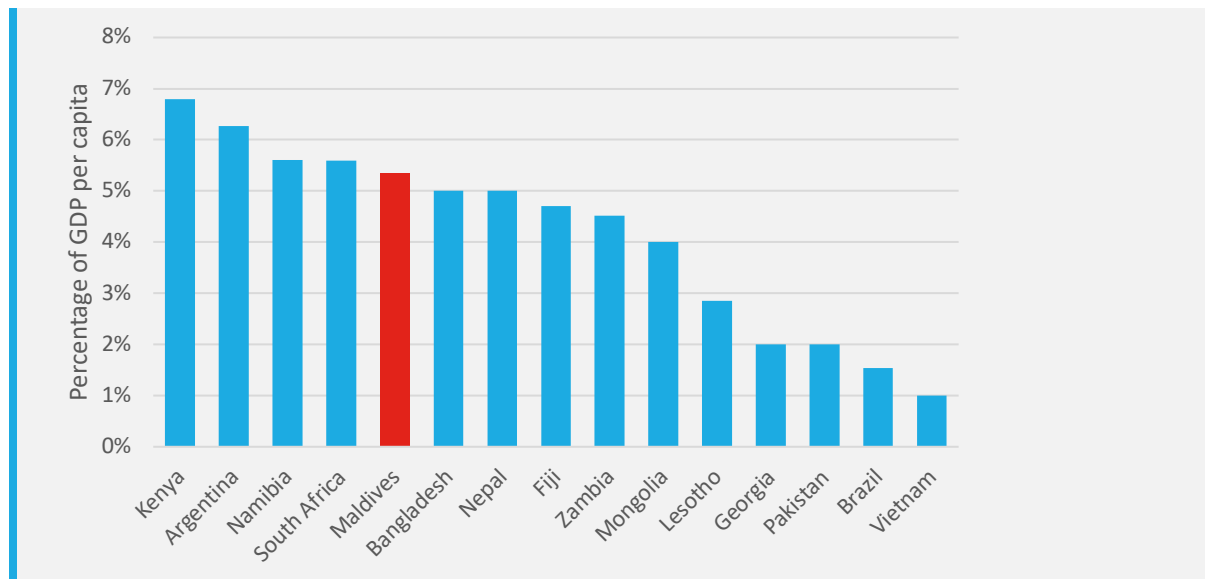
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<sup>23</sup> For further analysis of the disability assessment mechanism in the Maldives and access to the Disability Allowance, see forthcoming study by LSHTM.



## 5 Findings

**Figure 5-4: Global overview of child benefit transfer values from a select number of lower- and middle-income countries, expressed as a percentage of GDP per capita**

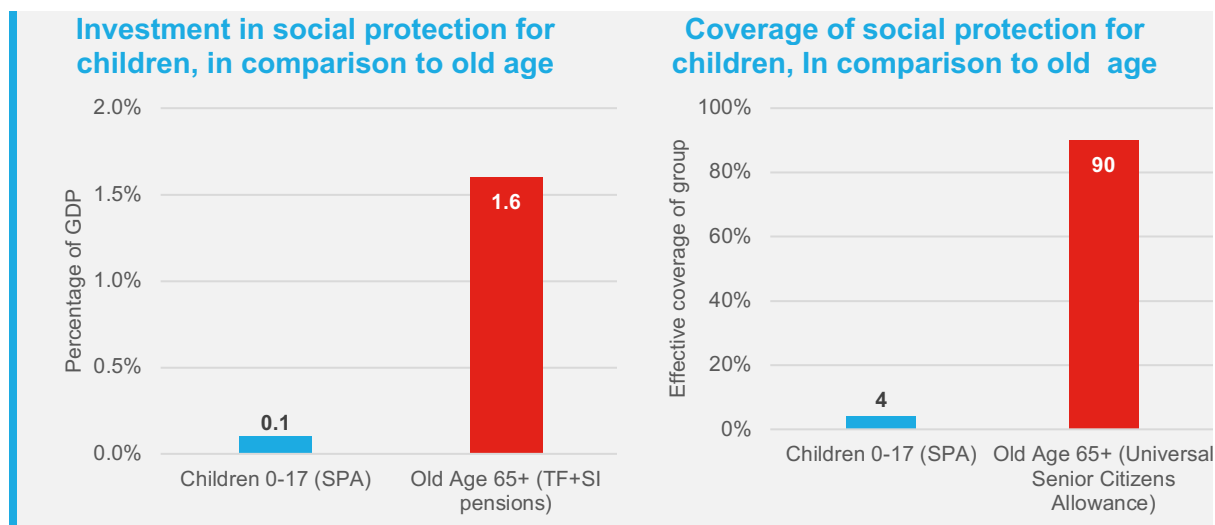


Source: CEPAL Non-contributory social protection programmes in Latin America and the Caribbean database, at <http://dds.cepal.org/bdptc/en/>; Kidd and Damerou (2016); UNICEF (8 August, 2015), at [https://www.unicef.org/namibia/Child\\_Grants\\_HIS\\_print.pdf](https://www.unicef.org/namibia/Child_Grants_HIS_print.pdf); Government of South Africa, at <https://www.gov.za/services/child-care-social-benefits/child-support-grant>; Kidd et al. (2015); Natali (2017); OPM (2014).

There is significant scope to enhance investments in children through an income support programme that does not target children based on family composition, such as the design of the SPA. By prioritising investments in all children, the GoM is more likely to foster popular support through an inclusive benefit aimed at supporting all Maldivian families with children. As illustrated in Figure 5-1, the old age pension system in the Maldives is significantly more prioritised with higher budgets available for social protection in old age. Higher investments are often resulted from more inclusive schemes, as they are more likely to gain popularity as more people benefit from them. Additionally, universal schemes exhibit an administrative cost of 2.5 per cent of total programme costs, compared to 11 per cent across targeted schemes due to the added human resource and system requirements resulting from means-testing (Ortiz et al., 2017). Therefore, the SP and FC schemes are likely to incur significant administrative costs.

## 5 Findings

**Figure 5-5: Coverage and investments for universal and targeted schemes, comparing the SPA and FCA to the Old Age Pensions**



Source: Based on Government of the Maldives National Statistical Yearbook 2019; Government of the Maldives Budget in Statistics 2019. Note: Calculations on investment using GDP figures are based on IMF World Economic Outlook Database. Calculations on coverage using population estimates are based on the UN World Population Prospects – Population Division.

### **Finding No. 10: The system of benefits and subsidies, including social insurance and social security are not considered as a whole. People want more choice on how they spend the support from government.**

The Maldives' investment in social protection has grown significantly during the Government's Strategic Action Plan 2009-2013. This led to the gradual implementation of social protection schemes, across the lifecycle (World Bank, 2015). While commendable progress has been made in achieving substantial coverage of families through social protection, in particular through universal coverage of social protection in old age, the Maldives social protection sector still faces considerable gaps in coverage due to significant fragmentation. The result is over-investments in certain schemes that benefit the better off, and under-investments in schemes that would impact vulnerable categories of the population.

The Maldives invests approximately 6.5 per cent of GDP in the overall social protection system, including the universal social health insurance scheme which is the largest category of expenditure at 3.5 per cent of GDP. Moreover, a large proportion of public spending is dedicated to the Maldives' national subsidy programmes, including water and energy subsidies which are regressive in nature due to higher levels of consumption among better off households. Currently, the GoM invests over 1.1 per cent of GDP on national subsidy programmes, including food, electricity and water subsidies. In addition to subsidies for household and business consumption, the GoM compensates suppliers for the loss in revenues occurred as a result of the control of prices of food and energy. Although food subsidies comprise a more significant share of household consumption among low income families, a higher proportion of investments in subsidies is allocated to higher income segments of society, including businesses (e.g. the tourism sector), and suppliers (World Bank, 2015). Therefore, social protection schemes are more equitable policies that will ensure families can maintain their consumption.

## 5 Findings

**Food subsidies:** To enhance food security across all households, the GoM has been implementing food subsidies since 1981. The food subsidies provide certain types of staple foods – including rice, flour and sugar – at administered prices in order to match their value on the global market (Sobir et al., 2014; Nizar & Rasheed, 2016). Food subsidies were significantly scaled down in 2016.

**Water subsidies:** Similar to food subsidies, the GoM introduced subsidies for water in 2005. Water subsidies were implemented as a response to the challenges posed by water shortages in the Maldives which resulted from increased migration and demand for resources, in particular around the region of Male'. While the majority of islands in the Maldives were historically able to access freshwater sources, these resources have been gradually depleted, resulting in a growing need for Government to provide clean water sources. Tariff rates continue to be regulated by the Government, in order to facilitate the affordability of water for citizens of the Maldives (Nizar & Rasheed, 2016).

**Electricity subsidies:** In addition, the GoM has provided subsidies to private electricity providers since 2005. The subsidies aim to facilitate universal access to electricity in the Maldives, ensuring that all inhabited islands access a power source, as mandated by national legislation. As fuel needs to be transported frequently to powerhouses on different islands, private electricity providers face considerable costs in the provision of energy on smaller inhabited islands (Nizar & Rasheed, 2016). Electricity subsidies have been significantly scaled down by eliminating subsidies to households for energy consumption.

As an indication of the savings that are possible if the subsidies were reformed, the last electricity subsidy reduction, coupled with the reduction in food subsidies, resulted in the GoM saving approximately 2 per cent of GDP (Murgasova et al., 2017).

### 5.4 On sustainability

Definition of the criterion measures the extent of funding and how likely the benefits of an activity and funds are likely to continue.

#### **Finding No. 11: The purpose of the foster care scheme (and the definition of fostering) require elaboration.**

There is significant scope to revise the design of the FCA in order to strengthen incentives for fostering and ensure that fostered children have access to adequate care and support. The majority of foster families are ineligible for the transfer, as the assessment for their suitability takes into account the financial capacity of households to care for the child. Only a few respondents reported that the foster care scheme helped keep children out of institutionalised care. This was validated during the validation workshop where stakeholders explained that the money is not seen as incentive to foster.

Due to its objective of ensuring care of children on behalf of the state payments to FPs should be regarded outside of the social protection system. Rather, foster payments provide remuneration to families to care for children in order to avoid them

## 5 Findings

being institutionalised. In contrast, fostering systems worldwide place the responsibility of care on the State, while the Government guarantees a payment as a mechanism to finance the care that is needed for the child. For example, FC parents in the UK are exempt from income taxation that is earned through the foster payment, up to £10,000, while additional expenditures on special equipment, including push chairs and bedding, are covered. The level of the allowance is set by an independent fostering agency, which may be linked to the child's particular needs, but is also reflective of the skills and experience of the foster carers. Therefore, a large proportion of FCs are likely to be working as social workers themselves. In South Africa, a Foster Child Grant is paid by the State to foster carers and calculated based on a the cost of the replacement of financial support that the child would have access to with their original parents (Johnson, 2005). There is significant scope and need to implement a well-designed foster care system in the Maldives in line with international standards.

### **Finding No. 12: Contributory social protection mechanisms, such as work injury and unemployment insurance schemes are non-existent in the Maldives.**

The social protection system is mainly financed from general government revenues. The only programmes financed by social insurance contributions are pension schemes provided within the formal employment sector. Formal sector employment schemes where both the employer and employee contribute, may be explored to establish consumption smoothing schemes for formal sector workers.

Embedding social protection schemes in policy and legislation, and separating them from essential social services, is key to strengthening their sustainability and ensuring that they are more efficiently managed.

### **Finding No. 13: Poverty targeting and the way the system is designed is encouraging recipients to remain 'poor' in order to qualify for support.**

Reports were heard that parents were cut off from the schemes for having savings or working. This deterred parents from improving their financial situation. The majority of beneficiaries of the SPA are single women, who are largely underrepresented in skilled labour and highly paid work. Due to eligibility for the schemes being determined by poverty status, SP families are more likely to maintain their poverty in order to qualify for the benefit, rather than earning a marginally higher income from employment. In fact, many respondents expressed a fear that the benefit would be withdrawn if they started saving money from the allowance.

## 5 Findings

### **Box 5-6: A SP allowance beneficiary who did not want to look for jobs for fear of losing the benefit**

A SP allowance beneficiary has a 5-year-old child and is living with her extended family of 12 members. She wants to look for employment to top up the benefit. However, that will take her off the scheme and no one will take care of the child. She is not thinking of remarrying, as there are so many stories of violence in marriage, having to deal with another individual is very difficult for her right now. Her focus is for her daughter to complete grade 10 and then look for an opportunity to get a good job.

Some of the respondents reported that they became ineligible for the scheme because of savings. The following case illustrates this point:

### **Box 5-7: A SPA beneficiary whose benefit was withdrawn because he saved**

A single man of 50 years lives with his 15 year old daughter and 14 year old son. However, he no longer receives the single parent allowance. During the re-registration process approximately 8 to 9 months earlier, he stopped receiving the allowance. He saved some of the monthly contribution he received as single parent allowance in the bank account, and he suspects that due to his savings in the bank he was rejected during the re-registration process. He was able to save part of the allowance because he goes and assists in a rich house to cook fish, but it's not a regular or stable income. Only when the fish catch is high on a daily basis will he get some amount. If the catch is low or on days when he cannot go to assist he will not earn. He also tries and makes rope in the house to sell.

The majority of beneficiaries of the SPA are dependent on the transfer as their main source of income, and many single women are unable to manage finances independently. In some cases, the scheme unintentionally enhanced single women's dependency on others. International evidence has similarly found that targeted social protection schemes can create barriers for women to engage in work (see Box 5-8).

### **Box 5-8: Creation of work disincentives associated with poverty-targeting**

In Georgia, women receiving the Targeted Social Assistance Scheme were 9-11 percentage points more likely to be economically inactive compared to those in non-participant households (Kits et al., 2015). In Uruguay, formal employment fell by 20 per cent among women who received the targeted child benefit (Amarante et al., 2011). In Argentina, the rule that women receiving the child benefit beneficiaries had to be in the informal economy has encouraged many beneficiaries to remain in informal labour (Vázquez & Maurizio, 2014).

Despite the objective of the SP and FC schemes to protect vulnerable citizens from poverty, poverty targeting can create a cycle of dependency, encouraging beneficiaries to remain 'poor' in order to qualify for support.

If the Maldives were to reform its social protection schemes for children and implement a universal child benefit, this may encourage beneficiaries to use the transfers to engage more actively in the labour market. By removing the means test, a universal child benefit reduces the dependency of beneficiaries to live on the benefit as the transfer would aim to provide a minimum income support to supplement income earnings from labour.

### 5.5 On being child-focused

Definition of the criterion: All children are included equally, and children are recognised as having the right to protection and care.

**Finding No. 14: The conflation of child protection issues with cash transfers undermines the effectiveness of child protection services and increases future problems and the need for support.**

A well-designed social protection system can play a key role in strengthening economic growth and child-sensitive programmes that ensure adequate investments in the development of children. However, child protection, social work, social care etc., should be considered separately to social protection schemes. The GoM aims to review the on-going National Action Plan on Violence Against Children (VAC) (2017-2019) and formulate the subsequent National Action Plan (2020-2023) on VAC in line with the Law on the Protection on the Rights of Children. In 2019, the Government ratified the Child Rights Bill, with progressive legislation to protect children against risks of early marriage. However, there is no regulation or policy framework that governs the effective protection of children through specialised care and services.

The MGFSS has FCPD offices at the atoll level and FCPD caseworkers undertake site visits to investigate reports of child neglect, behavioural problems or criminal activity such as domestic violence and child abuse. Caseworkers assess incidents against a standard checklist and undertake interventions as necessary. The case load of the MGFSS is too high to manage. On most islands visited, the FCDP had 1-3 workers who were only able to action approximately one third of the reports they received.

All protection and care services in the Maldives are delivered under the mandate of the MGFSS, including national children's centres and Safe Homes. However, the MGFSS faces challenges in meeting policy and human resource capacity for the effective oversight of the social protection sector. There is no official social work system and MGFSS staff act as social workers managing caseloads of abused children and women. Due to a lack of resources and the challenges of providing access to adequate care across all atolls and islands, there aren't any specialised care centres that provide dedicated support to specific groups of vulnerable people (Government of Maldives, 2019). For example, the Guradhoo centre, the largest state home in Male', has people with a disability, the elderly and mental health patients all together. In addition, the national children's centres and the Guradhoo Centre face challenges such as a lack of professional and technical capacity, minimal rehabilitation services and issues of access for persons with disabilities. Further, transition out of children's centres (e.g. when a child turns 18) is meagre at best. The children are asked to leave the institution or transfer to Guradhoo Centre. These gaps in care services for children and other vulnerable social groups warrant a full review of the institutional care system in the Maldives.

Moreover, the cash transfer and care system are intermeshed leading to inefficiencies and protection gaps. There is no clear separation of policy mandates between the provision of income support across the lifecycle, and social services,



## 5 Findings

including the protection of those vulnerable to neglect, violence and abuse. As a result, policy objectives related to income support, social care and social service-related risks are conflated, rather than comprising separate policy issues with their own delivery agencies. One of the strongest recommendations arising from this evaluation is for the need to separate the cash transfer component of social protection from child protection. Child protection requires specialised care and a robust system, alongside the provision of income support schemes.

During the validation workshop many people agreed that having the NSPA under the MGFSS reduces the long-term growth of the cash schemes. It also stunts the child protection system. However, there was one comment during the validation which gave the room reason to pause and consider. The stakeholder explained that the issue was not that child protection and cash was under MGFSS. Instead, the real issue is the lack of commitment and political will. There are resource constraints which render “system” inefficient and this will not change if the ministerial home changes. This comments is included here as it requires further investigation and consideration.

### **Finding No. 15: There is a dearth of child-focused psycho-social support, therapy and special needs education**

GoM aims to increase incentives for fostering in the Maldives and minimise the number of children that require institutionalised care. The Government is further reviewing the Social Protection Act, Disability Act and Gender Equality Law by 2020. Therefore, the GoM recognises the importance of legal and regulatory frameworks to underpin the effective delivery of a national child-focused social protection system.

The single parent allowance aims to ameliorate the vulnerabilities of SPs through economic intervention. However, the beneficiaries are still vulnerable to various economic and social problems. The SPA transfer has not been complemented by the provision of services tailored to the needs of SPs, or the needs of their children. A number of the people interviewed indicated that SPs require support around financial management (many women leave school early to marry), nutrition and birth control. Children do not just need income-security. Children also require a range of other services to ensure their well-being.

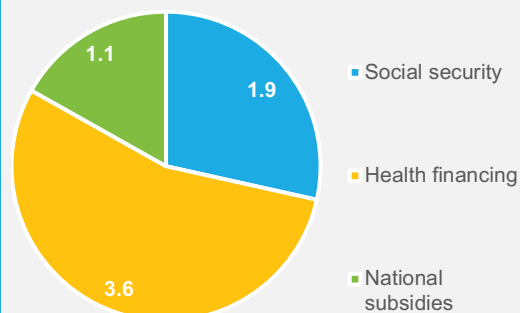
#### **Box 5-9: Vulnerable Non-beneficiary Household with Husband and Wife**

A 32 years old woman is married and has 4 children. She is from another island and lives with her husband who has a drug addiction and is unemployed. She has no support either from her or his family. The only income source is MVR 2,000 from a rented room in the small house and annual Zakat. The family barely eat two meals a day and the children who goes to school have no interval. The husband takes away any money he finds and uses for drugs and cigarettes. She is not allowed to go out of home without him. If she does, it always ends up in violence, most of the time in front of her children. Her children were visibly abused. She has reported her situation to the police several times. They have advised her to leave the island and go to her own island. She is scared of her husband and could never ask for a divorce for the risk of violence is too high. She has nowhere to stay in her island and no means of support to look after her 4 children.

### Finding No. 16: There is an under investment in the future human development of the country.

Taking into account national subsidy programmes and health schemes as set out in Table 2-3, total investments in the Maldivian social welfare system comprise 6.5 per cent of GDP. However, considering this investment includes multi-sectoral investments in health and social security, investments in overall social welfare system in Maldives is comparatively low, with limited priority given to social security (see Figure 5-4). For example, the United Kingdom, which similarly prioritises public provision of health care through the National Health Service, invests approximately 7 per cent in its system of universal health insurance coverage while investments in Aasandha amount to approximately 3.5 per cent of GDP.<sup>24</sup> In fact, investment in income security through the Maldives core social security system is relatively low at 1.86 per cent of GDP, in comparison to countries with similar income status such as Mongolia, Uzbekistan and Brazil (see Figure 5-5). Across higher income countries, investments in income security through social security averages at approximately 13.5 per cent of GDP.

**Figure 5-6: Investment in the social welfare system by sector**

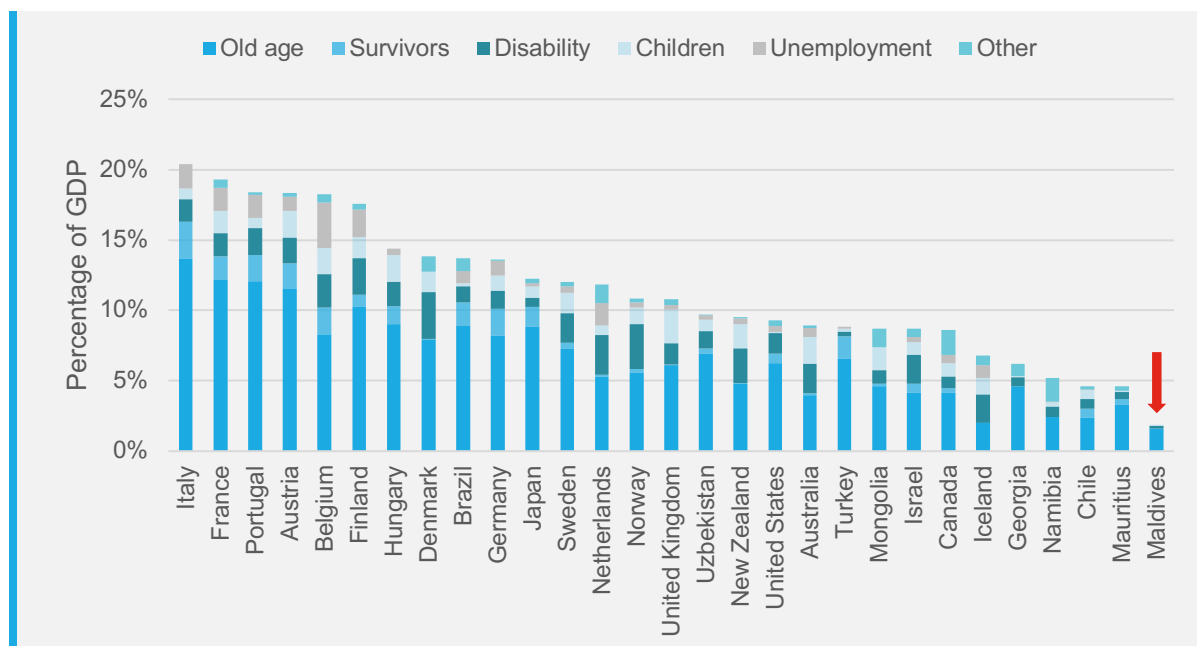


Source: Administrative data obtained from Government of the Maldives National Statistical Yearbook 2019; Government of the Maldives Budget in Statistics 2019.

<sup>24</sup> Source: NuffieldTrust (2018). Retrieved from <https://www.nuffieldtrust.org.uk/chart/nhs-spending-as-a-percentage-of-gdp-1950-2020>.

## 5 Findings

**Figure 5-7: Total investment in social security, comparing the Maldives with other middle- and higher-income countries**

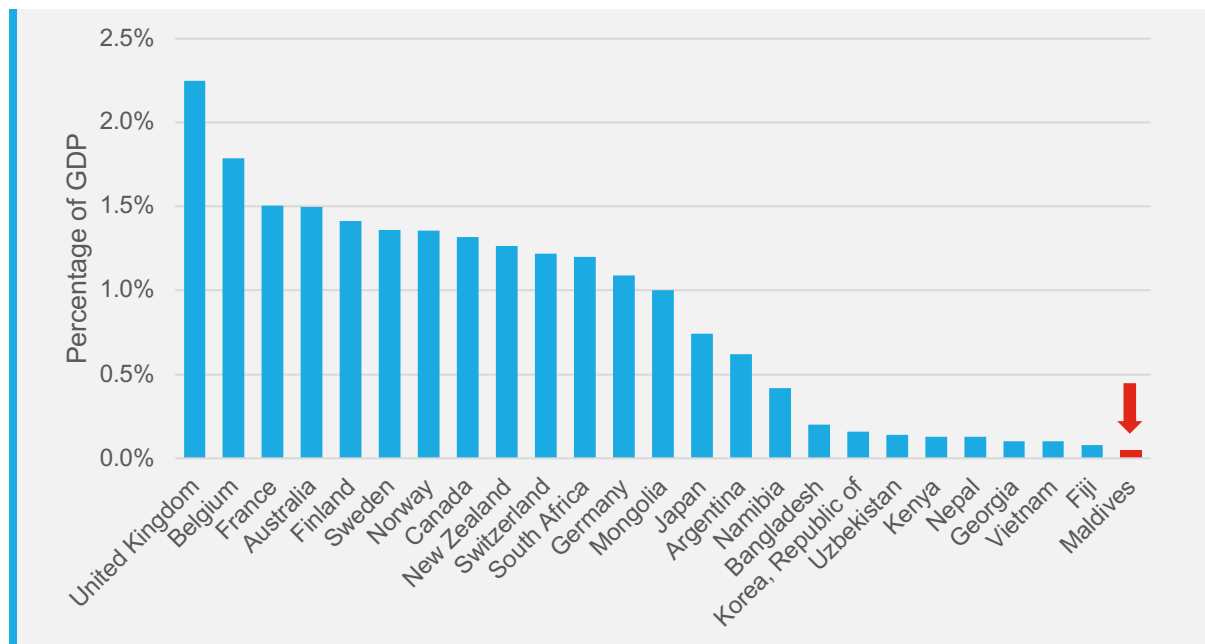


Sources: OECD Social Expenditure Database, available at [http://stats.oecd.org/Index.aspx?DataSetCode=SOEX\\_DET](http://stats.oecd.org/Index.aspx?DataSetCode=SOEX_DET); CEPAL Non-Contributory Social Protection Programmes Database, available at <https://dds.cepal.org/bpsnc/home>; HelpAge social pensions database, available at <http://www.pension-watch.net/social-pensions-database/social-pensions-database-/>; Development Pathways Disability Benefit Database, available at <https://www.developmentpathways.co.uk/news/launch-of-new-disability-benefits-database/>; World Bank (2017); Kidd et al., (2019); Wapling and Schjoedt (Forthcoming); Kidd and Damerau (2016).

Moreover, social protection for children comprises a small proportion of investments in the sector. Combining the SP and FC Allowances, the Maldives invests less than 0.1 per cent of GDP on children, which falls far below international standards. Recognising the key aim of the FCA to remunerate guardians for the care of foster children, only the SPA can be regarded as a social security scheme in the Maldives. A UNICEF and the International Labour Organisation (ILO) global study comparing 139 countries worldwide finds that, on average, 1.1 per cent of GDP is spent on child benefits across countries worldwide, ranging from 0.1 per cent of GDP in North Africa to 2.5 per cent of GDP in European countries (Orton et al., 2019). As illustrated in Figure 5-6, the Maldives invests a significantly smaller proportion of GDP on child benefits, in comparison to a range of other countries with child benefit systems. Despite the Maldives' significant achievements in economic growth, its investment in social protection for children lags behind lower-income countries with smaller public spending. For example, Nepal, a country with lower human development indicators and economic growth, invests 0.12 per cent of GDP in its Child Grant with plans for expansion to achieve universal coverage of children below the age of 5 by 2023, at an estimated cost between 0.5-0.8 per cent of GDP. Annex 4 provides a number of case studies of middle-income countries that have successfully prioritised investing in children through national income security schemes.

## 5 Findings

**Figure 5-8: Investments in child benefits in a select number of countries, latest year available**



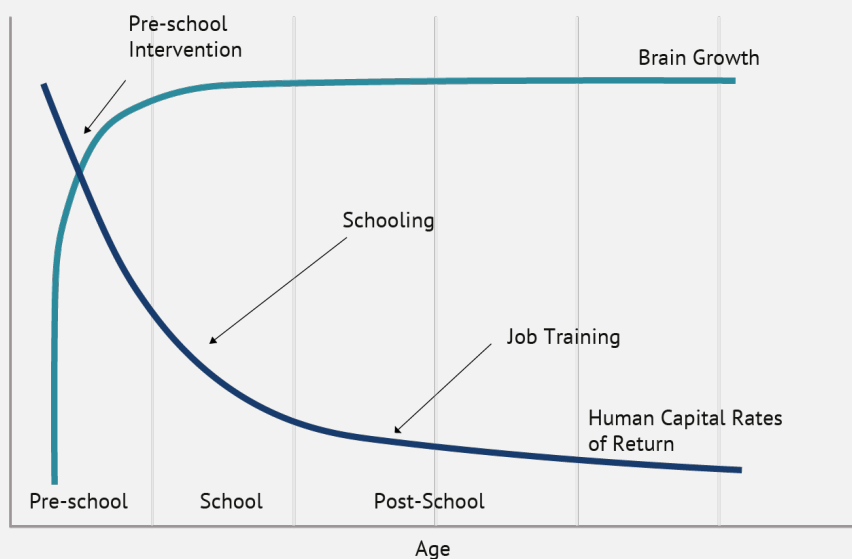
*Sources:* Various administrative data from national governments; Kidd & Damerou (2016); UNICEF (8 August, 2015) at [https://www.unicef.org/namibia/Child\\_Grants\\_HIS\\_print.pdf](https://www.unicef.org/namibia/Child_Grants_HIS_print.pdf); Kidd et al. (2015); CEPAL Non-contributory social protection programmes in Latin America and the Caribbean database, at <http://dds.cepal.org/bdptc/en/>; Kidd et al. (2019); OECD Family Benefits Public Spending, at <https://data.oecd.org/socialexp/family-benefits-public-spending.htm>

In light of the challenges facing children and young generations in the Maldives, most children in the Maldives would significantly benefit from some form of social protection but are currently missing out. Currently, 15 per cent of children below the age of 5 in the Maldives are stunted (Ministry of Health and Family, 2018). When families have access to a child benefit to ensure their minimum income, this can significantly enhance living standards, starting with adequate diets and improved nutrition. For example, in South Africa, it was found that the Child Support Grant (CSG) was associated with increased height-for-age due to stimulating nutrition among young children (Agüero et al., 2006). Furthermore, the earlier children enrolled in the CSG, the higher their test scores in mathematics and reading once they are at school (DSD, SASSA and UNICEF, 2012).

**Box 5-10: The irreversible effects of underinvesting in young children**

The first 1,000 days of life are the most sensitive to brain development and formative for health, growth and cognitive development which sets the path for future education and employment. Health issues and malnutrition experienced in early life result in irreversible impacts on children's growth and development. A global study of the long-term benefits of early childhood finds that, when children experience stunting as a result of undernutrition, they are likely to earn 26 per cent less as adults than if they had reached their full developmental potential. This reduction in productivity and income among the labour force, due to lack of investment in early childhood development, can lead to a loss in gross domestic product that is twice as large as the amount some countries currently spend on health (Richter et al., 2017).

**Figure 5-9: Decline in human capital returns as a result of lack of early childhood intervention**



Child benefits are more likely to have wide-ranging, long-lasting impacts when they are inclusive of all children. For example, the Child Money Programme in Mongolia which was initially implemented as a conditional, poverty-targeted transfer was found to reduce the child poverty headcount by almost 4 percentage points (Hodges et al., 2007); yet, once it became a universal benefit for all children under the age of 18, at a higher transfer value, the poverty headcount was reduced by 10 percentage points (Orton et al., 2019). Nepal's Child Grant, which was introduced in 2009, is undergoing a progressive expansion strategy to increase the coverage of families with children under the age of 5 years.<sup>25</sup> Increasingly, countries are recognising the benefits of expanding social protection benefits for children, as inclusive and rights-based schemes.

<sup>25</sup> Source: Garcia, A.F. & Dhakal, T. (2019). Retrieved from: <https://blogs.unicef.org/blog/paying-forward-expanding-universal-child-grants-nepal/>

## 5 Findings

### **Finding No. 17: The current schemes do not guarantee the right to social security for all children, as stipulated in the UN Convention on the Rights of the Child.**

Global evidence indicates that there are many challenges associated with targeting social protection schemes, resulting in high exclusion of those that the scheme intends to reach (Kidd and Athias, 2019). For example, a number of Asian countries have fully implemented proxy means tests to target beneficiaries, resulting in significant rates of exclusion. Pakistan's Benazir Income Support Programme has resulted in the exclusion of 73 per cent of the population in the intended target group, while Indonesia's Programme Keluarga Harapan excluded 82 per cent of its intended beneficiaries. While other countries have been able to reduce exclusion errors by expanding their target groups, no targeting mechanism has resulted in less than 44 per cent exclusion of its intended beneficiaries (Kidd and Athias, 2019). High exclusion errors are partially driven by errors in the design of the targeting mechanism, such as the inaccuracy of proxies for wealth. However, a significant number of vulnerable individuals and families are commonly excluded from programmes due to under-coverage, as poverty-targeted programmes tend to have small budgets and small recipient numbers.

The most effective means of minimising targeting errors is to offer universal benefits for children, ensuring that all vulnerable children are covered by the benefit. In Mongolia, the Child Money Programme was launched in 2005 as a conditional, poverty-targeted transfer with the aim of reducing poverty in the context of economic and social transformation. Due to errors in its targeting mechanism which led to significant exclusion of families living in poverty, the Government changed the design of the programme to a universal child benefit provided to all children under the age of 18, at a higher transfer value, with an additional transfer provided for new-born children. A study by Hodges et al. (2007) found that the targeted programme reduced the child poverty headcount by almost 4 percentage points, while the universal scheme reduced the poverty headcount by 10 percentage points (in Orton, Richardson and Stewart, 2019). In contrast, poverty-targeted schemes for children can lead to adverse effects on children who have been excluded by the scheme. An evaluation of the Philippines Pantawid Programme has found that, whereas the health and nutritional standards of children in recipient families improved, children in non-recipient families faced worsening nutritional outcomes as a result of the inflation of food prices (Filmer et al., 2018).

### **Finding No. 18: The Single Parent and Foster Care Schemes only reach 4 per cent of children which is likely to result in limited impacts on child wellbeing in the Maldives.**

The number of people in the Maldives below age 18 years is projected to be approximately 120,500 according to UN population estimates, which is equivalent to 22.3 per cent of the total population. The poverty rate among children, according to the national poverty line in 2016 is 10.1 per cent. The current schemes for children provide limited coverage, with less than 4 per cent of children below the age of 18 years accessing a benefit. Most children in the Maldives currently miss out on social protection.



## 5 Findings

### Box 5-11: Case study: a household receiving the Zakat poor relief benefit

A 37 year old woman has 5 other members in the household, including her husband aged above 40 years and their children aged 12 years (M), 10 years (M), 8 years (F) and 4 years (M), respectively. Her husband earns an income through sand mining and earns only MVR 2,000-3,000 (US\$ 130-200) per month on an ad-hoc basis. In some months he may not be able to go that frequently. They receive an additional MVR 13,000 for the entire family per year as contribution from Zakat. As this is the only financial contribution they receive for the entire year and with 4 kids, it is not enough to meet their basic needs, food, and their household condition is also very basic.

In 2019, the SPA reached 4,119 children, which is equal to approximately 3.6 per cent of children below the age of 18. Nonetheless, divorce rates in the Maldives are significant, at 11 per 1,000 inhabitants per year, however, many obviously remarry at some point because the total divorce rate for the island is 7 per cent. Consequently many children are likely to be living in SP families without access to the transfer at some point in their lives.

Many beneficiaries and non-beneficiaries interviewed for this evaluation felt that the SP scheme prioritised SP families at the expense of vulnerable children from two parent families with low incomes. Focus group discussions in Mavaah presented such an example:

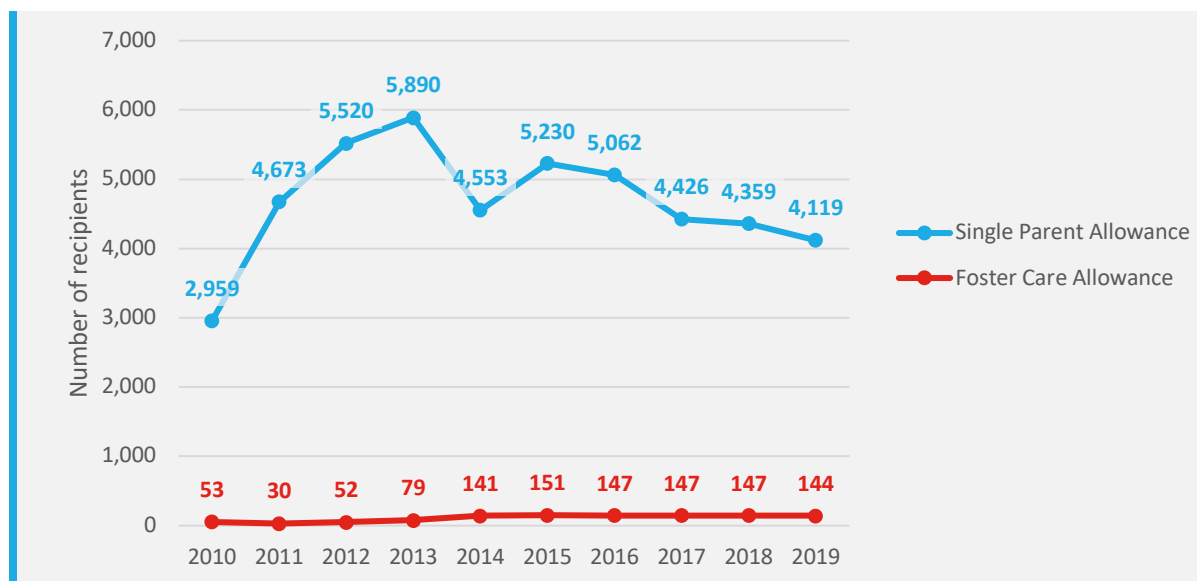
### Box 5-12: Vulnerable household with husband and wife

“There is a family with four children. Husband is injured and not able to work. He does not get disability benefit either. But the wife is not eligible. There is no system to help her family.”

Figure 5-8 illustrates the number of children that have received the SP and FC schemes, from their year of implementation in 2010 to 2019. As the graph illustrates, the SPA grew significantly in size during the initial years after implementation, but the size of the scheme has gradually decreased since 2013. Coverage of the FC scheme peaked when it reached 151 children in 2015, after which the scheme has not grown further.

## 5 Findings

**Figure 5-10: Changes in the number of children receiving the SP and FC schemes, 2010-2019**



Source: Government of the Maldives National Statistical Yearbooks, 2011 - 2019

### **Finding No. 19: The transfer has not increased in line with inflation causing financial stress for single parent families.**

The GoM has the essential role of ensuring that its social protection schemes, across the lifecycle, provide an adequate minimum income. In a comprehensive social protection system, income security schemes provide transfer values that correspond to a minimum standard guaranteed through legislation.

Beneficiaries report that they spend most of the transfer on food, electricity and children's education. There is a habit in the outer islands and atolls to send children to additional education classes after formal school ends. Most respondents explained that the scheme covers these additional education costs only. A number of mothers associated being a good parent with being able to send children to these classes and this was the number one expense the scheme covered. The majority of the SPs who were interviewed for this evaluation indicated that they hoped to reduce the vulnerability of their children through education.

#### **Box 5-13: A single mother who discontinued sending her son to tuition due to inadequacy of the transfer**

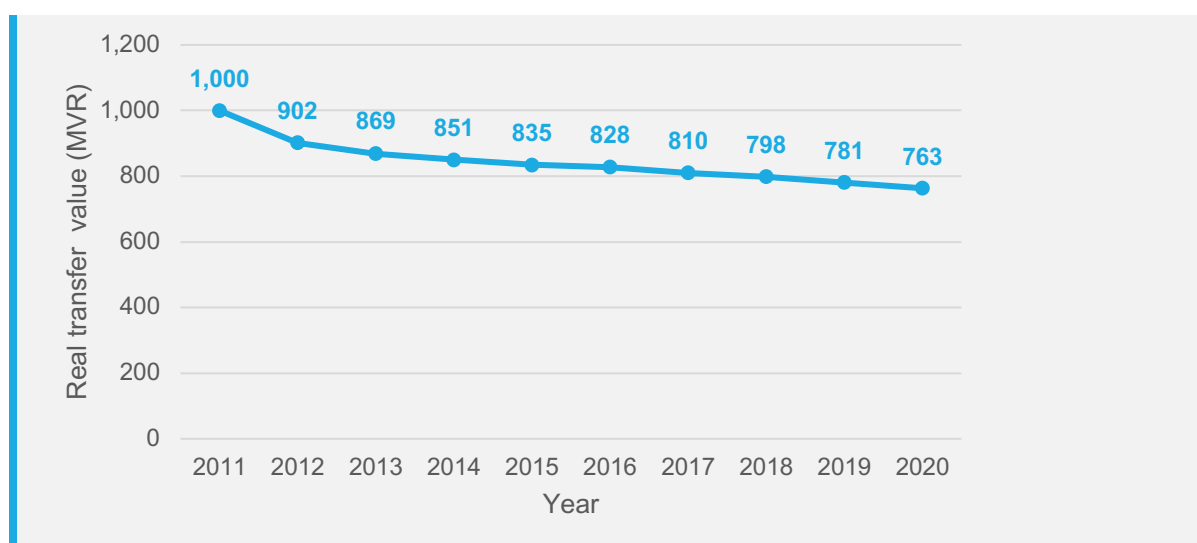
A young 26-year-old woman who was divorced 4 years ago lives with her 8-year son at a relative's house. Her mother passed away 3 years ago and her father died when she was young. She applied for the single parent allowance when her mother passed away and had to move out of the house. She is single, both her parents passed away, and the SPA is the only fixed income she gets per month. Though she earns some additional funds by sewing at home, she is unable to meet the basic needs including the utility bills. She stopped sending her son to tuition because she cannot afford to.

The minimum transfer provided by the SP and FC schemes currently lack a consistent metric providing a benchmark against which the benefit values are

## 5 Findings

calculated. Both the SP and FC schemes provide a transfer of MVR 1,000 per child below the age of 18 years, equivalent to approximately 5.4 per cent of GDP per capita. However, the transfer has not been re-evaluated since the implementation of the schemes in 2010. As Figure 5-11 shows, the real value of the benefits provided by the SPA and FCA has fallen year-on-year due to inflation, resulting in a decrease in purchasing power of beneficiaries of the SP and FC schemes. Almost all the study participants from all the sampled islands reported that the MVR 1,000 per child is not enough to maintain child wellbeing each month. It should be noted that the scheme is currently not designed to supplement income through earnings from work, which means that recipients largely rely on the SPA to cover their costs of living, and that of their child(ren).

**Figure 5-11: Year-on-year change in the real value of the benefit of the SPA and FCA**



Source: Government of the Maldives National Statistical Yearbooks, 2011 - 2019

Although many of the beneficiaries reported that they could not survive without the transfer, they still indicated that food was not a problem. Almost all the beneficiaries interviewed ate three times a day. In one of the interviews, a single mother beneficiary from Mavaah reported that her family eats three times a day although she has to skip a meal towards the end of every month to make sure that her children are fed.

### Box 5-14: A SPA beneficiary who claims that the amount is not enough

I spend it on the children's tuition mostly and their other needs. My father buys the basic food items for the house and I can use that food. But it is not enough. I am only able to manage with help from my father. I cannot save anything and I'm afraid that if I try to save, the allowance will stop.

I won't be able to survive without the payment. I ask my family for support every month. It helps to give me a more dignified life to some extent. But it is not enough.

While the allowance covers basic food needs, children among recipient families still lack nutritious food, and good clothing. Nutritional awareness appears low across the islands. Without nutritional education, increasing the benefit amount would not necessarily be spent on better nutrition. While rates of obesity have not been

## 5 Findings

reported among children, obesity is shown to be a significant issue among adults. According to the 2016/17 DHS, slightly more than one-third (35 per cent) of adult men aged 15-49 years are overweight or obese while and this is almost half (49 per cent) of adult women aged 15-49 years (Ministry of Health and Family, 2018). This is partly due to poor awareness about nutrition and the purchasing of unhealthy snack food over fruit and vegetables as well as the prioritisation of additional paid educational classes. It is also associated with the inadequacy of the benefit amount.

Vulnerabilities are impacted by the multitude of risks and challenges an individual faces across their lifecycle. In particular, lack of access to adequate health, nutritious diets, sanitation and education pose risks that can affect any child and cause setbacks to their growth and development. Therefore, as an alternative metric, the multi-dimensional poverty index (MPI) aims to capture deprivations experienced in the dimensions of health, education and information, and living standards, through a weighted index that is adapted to the context of the Maldives. Based on the MPI, 28 per cent of Maldivians are living in a 'multidimensional poverty' based on deprivations in these areas of well-being. The MPI indicates a significant disparity between Male' (10 per cent) and the outer atolls (40 per cent). Disaggregating the MPI by age groups reveals that children are much more likely to face deprivations in these areas and many more children are deprived in at least one of the dimensions indicating that child vulnerability in the Maldives is widespread.<sup>26</sup>

In reality, most children are living in families who struggle to meet basic costs of living, due to the rapidly increasing costs of basic needs, such as housing, food and transport. For example, households in Male', on average, spend almost a third of total consumption on rent and utilities as the average cost of rent amounts to almost US \$1,300 per month, expressed in PPP terms. Secondly, 22 per cent of consumption is spent on food while this is 26 per cent in the outer atolls. While income poverty rates reduced significantly between 2009 and 2016, from 16 per cent to 8 per cent, the costs of meeting adequate living standards has risen disproportionately which indicates that poverty is more complex than a single metric based on income or consumption.<sup>27</sup>

Recognising the additional cost faced by foster families in caring for children who may have experienced emotional trauma as a result of neglect or orphanhood, the FCA provides an additional MVR 500 per guardian. However, this value is not based on actual costs associated with caring for foster children. While the FCA is provided as an income support scheme to poor families, a foster care payment is typically designed as mechanism to remunerate guardians for the care that they provide for children who have been placed under state care. For example, in South Africa, the Foster Child Grant is not means-tested and provides a higher transfer than its income support scheme – the Child Support Grant – as it is designed to provide guardians with the financial means to care for children on behalf of the state (Hall and Proudlock, 2011).

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<sup>26</sup> For more details on the calculation of the MPI, see: NBS, OPHI and UNICEF. (Forthcoming). National Multidimensional Poverty in Maldives. Study conducted by the National Bureau of Statistics, Maldives Oxford Poverty and Human Development Initiative (OPHI) and UNICEF Maldives.

<sup>27</sup> While the previous Household Income and Expenditure Survey (HIES) in 2009/2010 estimated the national poverty rate at 16 per cent, this had fallen to 8.2 per cent as reported by the latest HIES in 2016.

### Box 5-15: Case study of foster parent family

A foster parent family fosters a daughter aged 17 years, as well as caring for 2 of their own children. The mother earns by sewing at home and the father does construction work, both of which is not a fixed income. The family is aware that the allowance will be discontinued when she turns 18. Their foster daughter plans to study nursing after schooling, which is available in Kulhudhuffushi campus. They also plan to send her to work part-time when she turns 18 so that she can also earn something.

## 5.6 On a rights-based approach: equity and non-discrimination

Definition of the criterion: all children have an opportunity to survive, develop and reach their full potential, without being subjected to discrimination, bias or favouritism. A rights based approach includes, normativity, non-discrimination, participation, transparency and accountability.<sup>28</sup>

### Finding No. 20: The schemes could be more rights-focused and aim to reduce social stigma and discrimination/exclusion of beneficiaries

A key role of social policy is to ensure the adequate living standards of citizens, in line with the Universal Declaration of Human Rights. Without robust social policies there is a risk that future generations suffer because poverty cycles are generational.

### Box 5-16: The right to social security in the Universal Declaration of Human Rights

Universal Declaration of Human Rights (UDHR), 1948 Article 22: “Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.”

A common portrayal of the SPA is that it breaks up the traditional family structure by incentivising divorce, thereby further contributing to the existing high divorce rate in the Maldives. The media’s reporting on the scheme’s removal of the two-child limit added to this opinion. Social media and news providers misreported the changes to the scheme by running the headline that ‘single mothers now get MVR 10,000’, when, in fact, this figure merely represents the ceiling of the transfers one can get from the scheme if one has ten children in order to enhance support to families with more than three children. The initial media reports labelled the SPA as ‘single mothers’ allowance. Even if it is assumed that all the SPA beneficiaries are women and that all are divorcees, the current number of single parents receiving the transfer (2,419 persons) constitutes about 11 per cent of the total divorced Maldivian population. Not all beneficiaries are single women, nor are all divorcees; there are also male recipients<sup>29</sup> and the widowed among other beneficiaries. Despite the lack of evidence to support it, the public opinion about the contribution of the SPA to the

<sup>28</sup> For more information see: Peersman, G. (2014). Evaluative Criteria. *Methodological Briefs Impact Evaluation No. 3*. Retrieved from: [https://www.unicef-irc.org/publications/pdf/brief\\_3\\_evaluativecriteria\\_eng.pdf](https://www.unicef-irc.org/publications/pdf/brief_3_evaluativecriteria_eng.pdf)

<sup>29</sup> There are some single parent households headed by men but usually in the Maldives, if the mother dies or leaves, then other female relatives care for the children.

## 5 Findings

divorce rate in the Maldives adds to the stigma for SPA recipients. During the research a few women reported that they refused to apply for the scheme in order to avoid such stigma.

Children from single parent families face many problems including stigma and discrimination in schools. In most cases, they are identified as having behavioural problems, receive lower grades and have lower class attendance. However, it is unlikely that all children from single parent families have behavioural problems. It is more likely that these children are labelled as such because of the stigma and because they do not get the care and support they should from the schools. This is a source of stress for single mothers (see Box 5-17).

### Box 5-17: Misbehaving SP children facing stigma

"I am not able to look after the children very well. The children are quite naughty. Sometimes even when I take them to school they run off. Teachers are not happy about it. But I have other children at home. Everyone keeps saying they are naughty kids. I do not really know what to do. I think sending them to school will make them better but now they are becoming more difficult to manage."  
*SPA beneficiary mother from Kulhudhufushi*

The social stigma associated with the SPA and the wider socio-cultural context has posed challenges to both the beneficiaries and their children. Some teachers do not understand the special psychosocial needs of children with single parents and label them if they misbehave. Single women who raise 'fatherless children' (i.e. whose father is not officially known) particularly face challenges. The story of a SPA beneficiary in Addu illustrates this point (see Box 5-18).

### Box 5-18: SP children facing stigma at school

A recipient's children were in a public school close to her house, but they were constantly bullied and stigmatised for being born out of wedlock. There were times when they were physically harmed in school. The recipient informed the school's head teacher and principal of this bullying, but nothing changed, and no one was there to protect her children from abuse. The bullying got so bad that the mother filed a case with the police, but no action was taken. She changed their school last year, which means she pays for the public bus. This is a huge financial burden on her, but she is determined to send her children to school. She feels like the whole community is against her and her children, just because she never married.

A FC beneficiary with legal guardianship of two of her grandchildren (one daughter and one son) reported similar discrimination from Naifaru: "*The children are bullied at schools and called names. The children have low self-esteem and live a very difficult life on the island. They are constantly targeted on the roads by other children who tease them. This situation increases their vulnerability as they are not happy to go to school and do not want to leave the house. They feel left out and socially excluded by the community.*"

An interview with Society for Health Education (SHE) professionals indicates that children from SP families have low mental wellbeing and are more prone to go into crime than children who live with both parents. Consequently, the majority of SP beneficiaries feel that the future of their children is uncertain. Their children become even more vulnerable once they finish secondary school. Children from single parent



## 5 Findings

families cannot afford to move to Male' or Addu for tertiary education. Attending private college on their islands is also not affordable. Moreover, SPA beneficiaries become highly vulnerable when they are taken off the benefit at 18 years because they often haven't found formal employment, nor finished their studies. This age is risky for them to be idle, especially given the prevalence of drug addiction in the Maldives.

Some beneficiaries clarified that it was not the receipt of the transfer that caused the bullying, stigma and discrimination. Rather it was their poverty or their mother's marital status or their father's character (e.g. drug addiction, in jail) that led to the social exclusion because it clashes with Sharia law. Seen against this backdrop, the public association of the SPA with women and divorce seems to be rooted in the existing societal norms that perpetuate social roles of women in society. It is feared that the SPA contribute to moral laxity. In a community where women are expected to be married, being single is considered socially unacceptable.

Women who become single on their spouse's island are particularly vulnerable because they do not have family support or protection. An interviewee from Naifaru Council commented that divorcees 'are the new meat.' For example, single parents frequently change their sim card due to harassment. Reports were heard of women and their children being hissed at or publicly shamed on the streets. They are usually called prostitutes or other derogatory words. Single mothers are stigmatised more than single fathers, with unmarried women facing the worst kind of social stigma and exclusion.

In short, though the SPA has helped the SPs to fulfil some basic needs, it does not seem to have protected them from social exclusion. The vulnerability of these children can be reduced by creating support systems and enabling environments for them in schools as school management professionals interviewed for this study suggested.

In addition to the findings discussed above, the following specific findings are worth emphasising because they relate to equity, rights and non-discrimination.

- a) Applicants who have been rejected for the Single Parent Allowance cannot access information on the grounds for their rejection, nor are there formal channels through which they can appeal.
- b) The application process for the Single Parent and Foster Care schemes are not accessible to persons with disabilities (e.g. brailled forms).
- c) The right to privacy is not upheld through the gathering of supporting documents, including educational enrolment documents.

## 5.7 On Gender Equality

Definition of the criterion: promoting the equal rights of women and girls, and supporting their full participation in the political, social and economic development of their communities.

### **Finding No. 21: The way government services are delivered would benefit from a gender and inclusion strategy.**

There is a patriarchal approach to the way services are delivered through the island council by men to men. But at the same time, the nuclear family with a male household head who is the biological father of all children within the household is not the norm anymore. The very concept of a household has changed. Service delivery should adapt to this reality to ensure women are equally looked after and empowered and able to access services.

Specifically, application forms are biased towards those with education and literacy. Girls who leave school early to marry and/or have children are disadvantaged by this. In addition, the conditions regarding education attendance and immunisation placed on the programme puts responsibility for compliance on women, reinforcing their roles in society as carers. Women who are divorced are subject to violence, face exacerbated social exclusion and lack informal support. This is particularly acute when they have moved away from their island of birth and are living on their former husband's island.

More generally, it appears as though government service delivery is not as gender-friendly as it could be. For example, responses to violence against women by Family and Child Protection Centres and island police are reactive rather than preventative. Moreover, interviews with single mothers and lawyers show that the current alimony system is not working well. Mothers have to go to court every time a father does not pay alimony. This is tiresome and frequently ineffective. While not relevant to social protection per se, it does place additional burdens, in terms of time and stress, on single women and their children. A number of respondents initially thought the SPA was alimony, showing confusion between the intent of the single parent scheme and a father's responsibility for the care of his children.

## 6 Key lessons learned

**Mental health issues on the islands appear to be increasing along with many other societal problems.**

There is a need for care and support services to address the high incidence of mental health issues and violence against women. For example, the Maldives Study on Women's Health and Life Experiences in 2007 highlighted that one in three women aged 15-49 reporting having experienced physical and/or sexual violence at some point in her life, while one in five women aged 15-49 reported having experienced physical and/or sexual violence by an intimate partner (Sobir et al., 2014). More recently, the Maldives Demographic and Health Survey 2016/17 highlighted that violence against women continues to be a major challenges in the Maldives. Twenty-four per cent of ever-married women aged 15 to 49 reported having experienced physical, sexual or emotional violence from their current or most recent husband or partner (Ministry of Health and Family, 2018). While this is possibly associated with drug addiction, more research on the matter is needed.

**Young people in between O and A levels are particularly prone to deviant behaviour.**

Young people have few academic and career prospects, and are bored and restless and have few options for entertainment on the islands. The development of youth innovation competitions and some kind of youth community service programme should be instigated to give young people an alternative to drug taking and gangs.

**Evidence-based policy decisions are needed, along with more publicly available data.**

There is a lack of data available about families and communities and social changes. For example, the teen pregnancy rate is reported to be increasing. However, it will take some time before this is reflected in publicly available national statistics. This causes a delay in response times. As another example, there is a lack of data on the number of foster families, which limits the conclusions can be drawn from this study.

## 7 Conclusion: towards a comprehensive social protection scheme for children in the Maldives

A number of reforms are suggested in this evaluation. Now more than ever, there is a strong rationale for enhancing the social protection system for children in the Maldives, in order to give future generations of children a better start in life and prevent families from falling deeper into poverty and vulnerability. Without adequate investments in children, the Government of the Maldives risks further increasing the social and economic costs to society, as existing schemes for children are not able to address the challenges faced by young generations.

## 8 Recommendations

### On relevance

The Government's ambition to develop a child-sensitive social protection system has begun and the GoM can now move to strengthening its commitment by bringing the island councils and other stakeholders together to discuss the future direction and purpose of social protection in the Maldives. The weakness in the current approach is the fragmentation of all social protection schemes and stakeholders. A comprehensive child benefit system will stimulate more inclusive human development in the Maldives and can be seen as an investment in the future potential of the country.

### On effectiveness

Embedding social protection schemes in policy and legislation, and separating them from essential social services, is key to strengthening their sustainability and ensuring that they are more efficiently managed. Provision of child-focused psychosocial support would greatly enhance the effectiveness of the schemes, along with the removal of the PMT. The weakness in the current approach is that many children miss out on support. The SDG commitment to leave no child behind can be achieved with a universal approach. The interest in seeing a child-focused social protection schemes can be seen as an opportunity for collaborative change.

### On efficiency

NSPA are aware of many of the problems identified in this evaluation and are working towards refinement. The GoMs good intentions with these two schemes could be improved through an operation manual, a single portal application process and a universal approach. The implementation of these schemes and the way they are designed create unnecessary hardship (predominately on women as mothers). Increasing social security or self-financed schemes will help to cement a social contract with citizens and clarify the role of government as not the sole provider of protection. Putting in place strong and systemic monitoring and evaluation mechanisms would be instrumental in improving the systems and helping to promote the benefits of the schemes to the wider public.

### On sustainability

The social protection system is mainly financed from general government revenues. Considering government cash benefits and subsidies as the social welfare system would help to identify the long term financial sustainability of the schemes and reveal which citizens are benefiting more, or missing out. Facilitating graduation from the schemes in a manner that could help people work and save would reduce dependency on the schemes. To this end, the proposed reforms to the tax system will help find additional fiscal space. Including NSPA in tax reforms would be advantageous. In addition, inclusive social protection can help to build the social contract to generate more taxation.

### On being child-focused

## 8 Recommendations

The GoM investment in child-focused schemes is far less than the global average investments in child benefit systems. When combined with a lack of child-focused psycho-social support, therapy and special needs education, many children are not receiving the assistance they need to thrive.

### On equity and discrimination

The design of the schemes to target those living in poverty excludes many families who need assistance. Moreover, many families are unaware of the schemes. A proactive public communication strategy informing the people about the objectives of the scheme and its effectiveness in improving the lives of the vulnerable would help to garner more support and lessen the social stigma associated with the SPA. Moreover, a strong communication strategy with a positive message that also mobilises vulnerable people to enrol in the schemes would be prudent.

To overcome the challenges faced by the current system, it is recommended that the GoM reforms its investments in children, to meet international standards, and create more opportunities for future generations to participate in their economy and society. A universal child benefit, starting in 2021, would achieve this end and ensure no child is left behind. A universal child benefit, starting at a benefit level of MVR 1,000 per month that indexed to inflation – in line with the value of the Single Parent Allowance – can be achieved progressively by prioritising the youngest children below the age of 5 years in 2021. Subsequently, no child would be taken off the scheme until their 18<sup>th</sup> birthday. In the first year of implementation, the scheme would require a cost of approximately 0.5 per cent of GDP in 2021. The scheme will reach universal coverage of all children below the age of 18 years in 2034, when the costs of the scheme will reach its peak at 1 per cent of GDP. Subsequently, costs will gradually decline as a result of declining fertility rates, projected by UN population estimates. An alternative option, using the same design but providing a higher benefit of MVR 2,200 per month – in line with the HIES 2016 national poverty line – will require a cost of 1 per cent of GDP in its first year of implementation in 2021. The costs of this scheme will peak at 2 per cent of GDP in 2034.

## 8 Recommendations: towards a comprehensive social protection scheme for children in the Maldives

At the end of the evaluation field research phase, a multi-stakeholder debriefing workshop was held. The main findings of the evaluation were presented and discussed by participants. Participants had the opportunity to agree and disagree with each finding and ask questions during the discussion. Recommendations were clustered to arrive at a limited set of comprehensive recommendations. The following recommendations were endorsed by stakeholders. When there was not full agreement, the recommendation has been revised to reflect the nuance in stakeholder comments. The team have assessed the importance of actions considering the conclusions presented in the previous section. The name of the organisation responsible appears after each recommendation along with a time frame of short, medium or long term to help understand the lead in time required, along with sequencing.

### 8.1 Establish a robust child protection system with its responsibilities separated from the income support system.

**Responsible organisation:** Attorney General, MGFSS, President's Office

**Timeframe:** medium – long-term

The conflation of child protection issues with cash transfers undermines the effectiveness of child protection services and increases future problems and the need for support. A child protection system relates to the supply side while income support relates to the demand side. A robust child protection system, staffed by skilled social and health workers, should be established under the MGFSS. This would include an effective fostering system and guaranteed access to psycho-social support for children who have been orphaned, or who have experienced abuse, abandonment, neglect and/or other forms of childhood trauma. Embedding social protection schemes in policy and legislation, and separating them from essential social services, is key to strengthening their sustainability and ensuring that they are more efficiently managed.

This recommendation addresses:

- Finding No. 11: The purpose of the foster care scheme (and the definition of fostering) require elaboration.
- Finding No. 14: The conflation of child protection issues with cash transfers undermines the effectiveness of child protection services and increases future problems and the need for support.
- Finding No. 15: There is a dearth of child-focused psycho-social support, therapy and special needs education.



## 8 Recommendations

- Finding No. 16: There is an under investment in the future human development of the country.
- Finding No. 17: The current schemes do not guarantee the right to social security for all children, as stipulated in the UN Convention on the Rights of the Child.
- Finding No. 18: The Single Parent and Foster Care Schemes only reach 4 per cent of children which is likely to result in limited impacts on child wellbeing in the Maldives.
- Finding No. 19: The transfer has not increased in line with inflation causing financial stress for single parent families.

### 8.2 Rename the single parent scheme to the Child Support Grant to prevent stigma.

**Responsible organisation:** NSPA

**Timeframe:** short-term

To avoid the stigmatisation of beneficiaries and their children, the NSPA should rename the Single Parent scheme to more clearly communicate the key objective of promoting positive outcomes for children, while positioning the Maldives within the global agenda towards universal social protection for children (Orton et al., 2019). Examples from around the globe include terms such as ‘child support grant’ in South Africa and ‘child grant’ in Nepal. There are other ways to also reduce the social stigma such as through an information awareness/behaviour change campaign.

This recommendation addresses Finding Number(s):

- Finding No. 13: Poverty targeting and the way the system is designed is encouraging recipients to remain ‘poor’ in order to qualify for support.
- Finding No. 20: The schemes could be more rights-focused and aim to reduce social stigma and discrimination/exclusion of beneficiaries

### 8.3 Promote the financial and political empowerment of women at island levels, supported by the representation of women on island councils.

**Responsible organisation:** President’s Office, MGFSS, Island Councils

**Timeframe:** short – medium-term

Some type of affirmative action or a mandated quota of female council members is needed to ensure island councils employ women and are able to respond to the needs of women and children. Moreover, when women go to the island council to enquire about the schemes, they are given sensitive, non-discriminatory services.

During the validation workshop, it was confirmed that the cash alone is not enough because women lack nutrition awareness and financial literacy. These things should

## 8 Recommendations

complement the schemes. In addition, a self-help group for women, such as a rotating savings and credit group (ROSCA), which incorporates training on financial literacy, savings, nutrition awareness, and governance should be established by the Island Councils with support from MGFSS

This recommendation addresses Finding Number(s):

- Finding No. 4: The public are not well informed about the purpose and scope of the schemes, nor how to apply to access the schemes. Using SMS as the only form of communication means many people do not know about the status of their application.
- Finding No. 8: The registration forms are complex, costly and time consuming.
- Finding No. 13: Poverty targeting and the way the system is designed is encouraging recipients to remain 'poor' in order to qualify for support.
- Finding No. 19: The transfer has not increased in line with inflation causing financial stress for single parent families.
- Finding No. 20: The schemes could be more rights-focused and aim to reduce social stigma and discrimination/exclusion of beneficiaries
- Finding No. 21: The way government services are delivered would benefit from a gender and inclusion strategy.

### 8.4 Develop an operations manual and training strategy to enhance effective operations at island levels.

**Responsible organisation:** NSPA, Island Councils

**Timeframe:** short-term

A comprehensive operational plan that clearly defines and formalises the roles and responsibilities of the NSPA vis-a-vis the Island Councils in administering the social protection schemes should be developed. This plan should be complemented by an effective training strategy for upskilling government and council employees involved in managing the schemes.

This recommendation addresses Finding Number(s):

- Finding No. 3. The schemes do not align with a decentralisation strategy because the council only has an administrative ("post-box") role.
- Finding No. 4: The public are not well informed about the purpose and scope of the schemes, nor how to apply to access the schemes. Using SMS as the only form of communication means many people do not know about the status of their application.
- Finding No. 6: Citizens do not have the opportunity to offer feedback on the design of the social protection schemes. Participatory monitoring and evaluation of the social protection schemes does not exist.

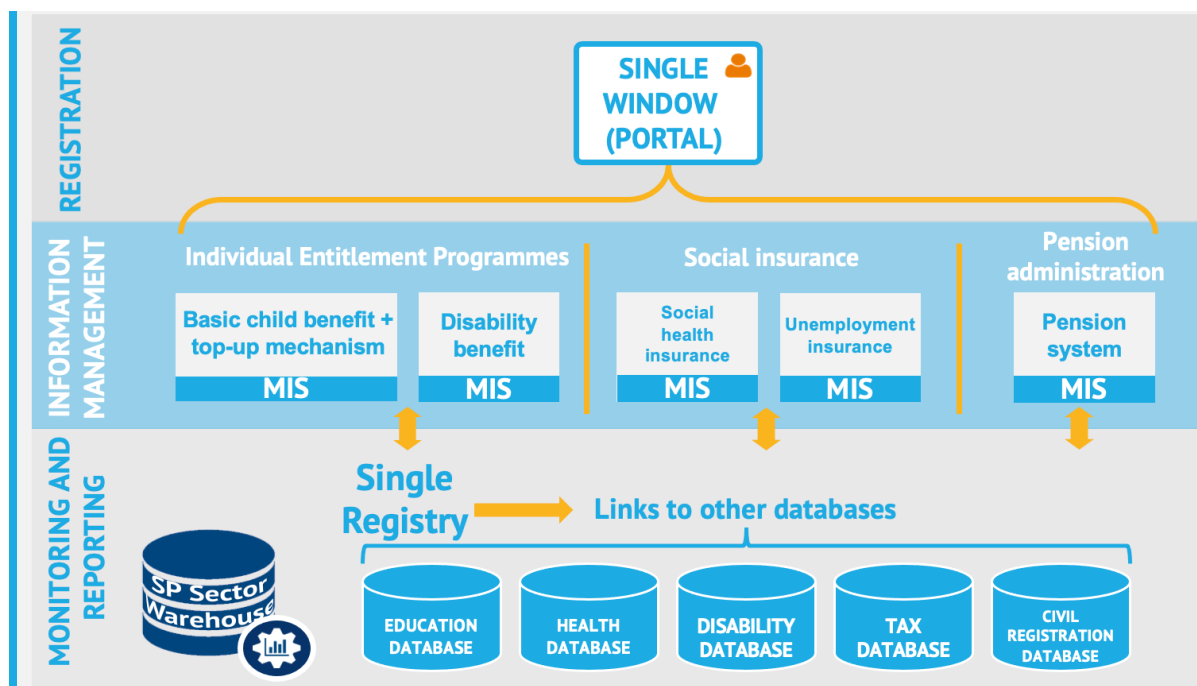
## 8.5 Streamline the application and approval process underpinning social protection programmes into a single registry, remove the PMT and develop a mobile application.

**Responsible organisation:** NSPA

**Timeframe:** medium

A digital portal, linked to the central Social Protection Information System, should be created to enhance decentralisation of social protection case management. The portal should be managed by a focal person from NSPA at island level. The portal could be structure as illustrated in Figure 8-1.

**Figure 8-1: Potential linkages between management information systems in the Maldives**



Source: Development Pathways' creation.

It is further recommended that the portal include the piloting of a mobile application to enhance communications and improve transparency of the application process, as well as case management for individual applicants and recipients of the schemes.

The ways in which ICTs can better support decentralisation, communication and management should also be revisited.

This recommendation addresses Finding Number(s):

- Finding No. 4: The public are not well informed about the purpose and scope of the schemes, nor how to apply to access the schemes. Using SMS as the

## 8 Recommendations

only form of communication means many people do not know about the status of their application.

- Finding No. 8: The registration forms are complex, costly and time consuming.
- Finding No. 9: The schemes have significant administration costs and consequently are not delivered efficiently.

### 8.6 Develop a monitoring and evaluation plan with funding

**Responsible organisation:** NSPA, UNICEF, Ministry of Planning

**Timeframe:** medium-term

A robust monitoring and evaluation plan that provides regular and well-structured coordination mechanisms between different levels of government, simple and action-oriented reporting, clear schedules for support and supervision, checklist-based quality assurance, special investigations, and internal and external audits should be developed. This should include establishing platforms for stakeholder dialogue at central level, led by NSPA, as well as community-based monitoring groups with representation from NGOs and CSOs in atolls and islands to strengthen social accountability. Baseline and endline data should be collected and disseminated through reports.

Public opinion towards the schemes should be also be intermittently checked.

The GoM should, through its budget mechanisms, provide sufficient funding to ensure periodical monitoring of the effectiveness of social protection schemes to confirm they are reaching intended recipients and achieving child-sensitive outcomes.

This recommendation addresses Finding Number(s):

- Finding No. 2. There is a misalignment between the NSPA mission and mandate to formulate policies on social protection, and their ability to effectively exercise this mandate.
- Finding No. 6: Citizens do not have the opportunity to offer feedback on the design of the social protection schemes. Participatory monitoring and evaluation of the social protection schemes does not exist.
- Finding No. 7: Measuring the potential impact of the two social protection schemes was challenging because there was no monitoring and evaluation nor a results framework to guide the evaluation.

## 8.7 Give NSPA the mandate for all cash transfers and the policy development and implementation authority.

**Responsible organisation:** President's Office, Ministry of Finance

**Timeframe:** medium

A clear definition and scope for the social protection system embedded in national policy and legislation which articulates the goal of providing income support to citizens across the lifecycle should be developed. This will contribute to the longer-term objective of integrating all income support schemes for children, persons with disabilities and old age pensions into a well-coordinated social protection system that aligns with, and helps define and implement, the SAP vision.

This recommendation addresses Finding Number(s):

Finding No. 2. There is a misalignment between the NSPA mission and mandate to formulate policies on social protection, and their ability to effectively exercise this mandate.

Finding No. 10: The system of benefits and subsidies, including social insurance and social security are not considered as a whole. People want more choice on how they spend the support from government.

## 8.8 Reform the current social protection schemes for children into a universal child benefit and introduce behavioural nudges through the incorporation of top-up mechanisms.

**Responsible organisation:** President's Office, Ministry of Finance, NSPA

**Timeframe:** medium - long

A universal child benefit, starting in 2021, should be pursued. Such an approach would reform the associations the current scheme has in terms of being harmful to the social values and norms promoted by the GoM. Moreover, by ensuring that all children in the Maldives have access to a minimum income, the Maldives has the potential to generate a nationwide positive impact on child wellbeing, while aligning with the UN Conventions on the Rights of the Child's objective: all children have the right to access social security and the SDGs mandate that no one should be left behind.

The Maldives could offer a universal child benefit in an incremental manner - initially to children aged 0 to 4 years, in order to prioritise the crucial first 1,000 days of life during which the greatest gains can be made in child development. Over time, the benefit would reach all children and adolescents up to the age of 18 years. Two options are proposed, expressed in equivalent 2019 values.

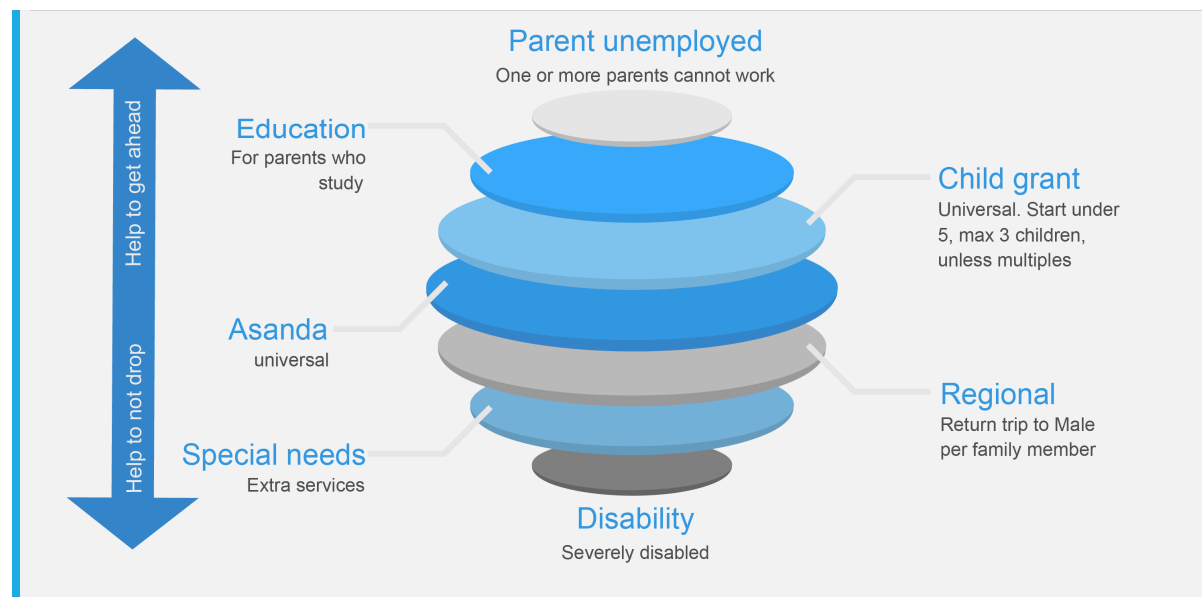
## 8 Recommendations

- **Option 1** provides a minimum transfer of MVR 1,000 (US\$ 64), equivalent to the current transfer provided by the Single Parent and Foster Care schemes.
- **Option 2** provides a minimum transfer of MVR 2,200 (US\$ 140), equivalent to the value of the national poverty line in the Maldives.

For both options, no children should be removed from the scheme until their 18<sup>th</sup> birthday to ensure that they are supported throughout their entire childhood - a critical time for physical and mental development.

On top of the universal/general child benefit, there is significant scope for the Maldives to incorporate top-up mechanisms – or additional schemes – in order to create important incentives to enhance education and health among families with children. It is also essential that the Maldives’ addresses challenges faced in accessing the Disability Allowance. The universal child benefit could provide a minimum transfer to support children in the Maldives to meet basic needs, while additional transfers could be included to respond to the challenges faced by different families. The GoM may also consider including other top-up mechanisms, such as a transport allowance for families living in remote atolls and islands, in order to meet the costs of travelling to Male’ for health services or other needs (see Figure 8-2). **Top-ups** should include education stipends for children of school age and single parents attending secondary or tertiary education, in order to introduce behavioural nudges that empower families whilst avoiding sanctions.

**Figure 8-2: Potential ‘top-up’ mechanisms**



Source: Authors' own creation.

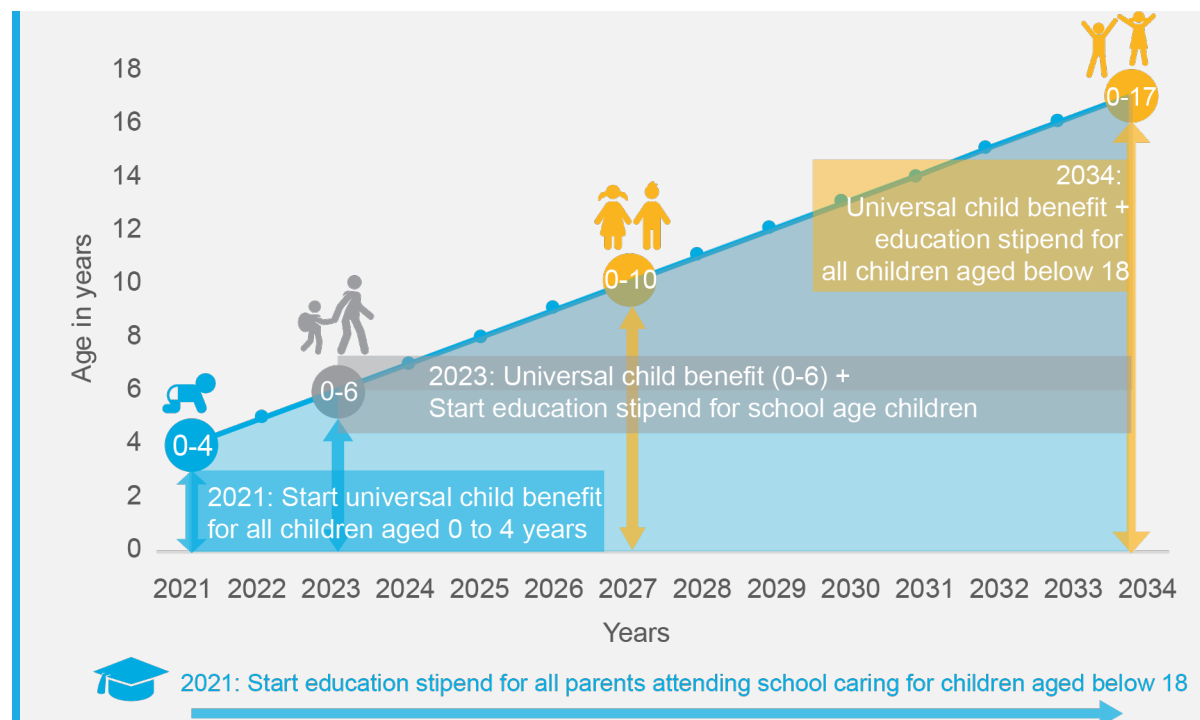
As both options propose, from 2023, children from the age of 6 years receiving the child benefit will additionally receive a school stipend of MVR 200 (US \$13) per month to support them in meeting the additional costs of extracurricular tuition fees or other out-of-pocket costs for schooling. In order to continue supporting vulnerable single parent families, on top of the child benefit, young single parents (regardless of gender) attending school will receive an education stipend of MVR 500 (US \$32) per



## 8 Recommendations

month to support them through higher education and to incentivise them to remain at school. By 2034, the scheme will reach all children below the age of 18 years - approximately 120,500 children, and all transfer values increase year-on-year in line with inflation. Figure 8-3 presents the planned expansion of the child benefit.

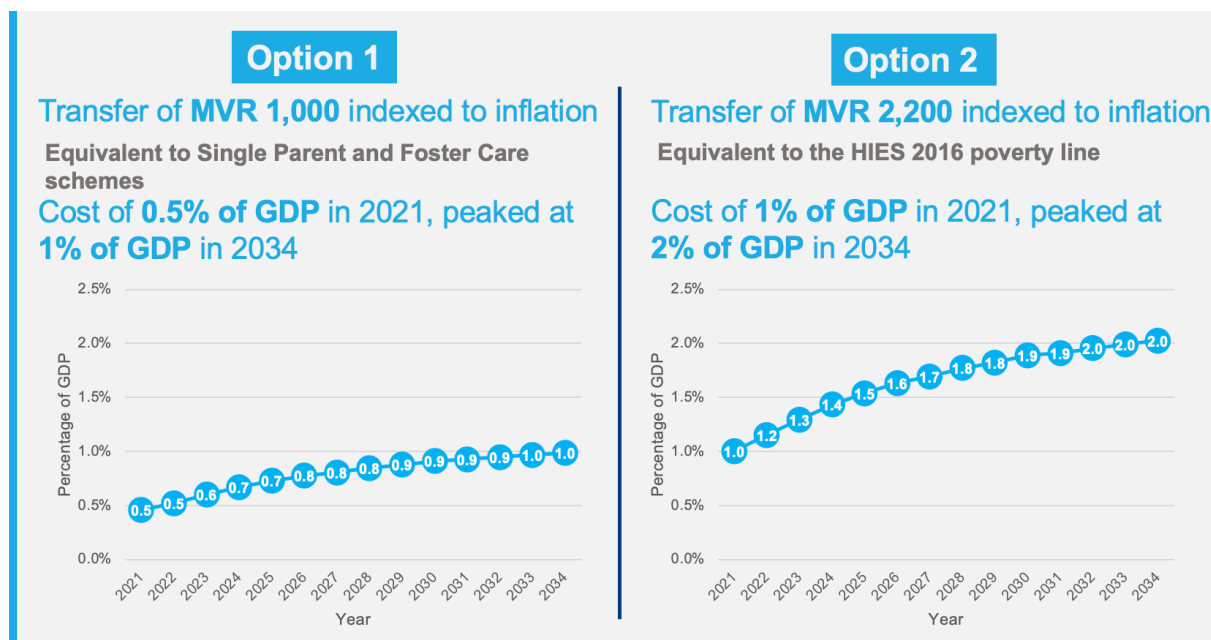
**Figure 8-3: Proposal for a comprehensive child benefit system with education stipends**



Source: Authors' own creation.

This phased-in implementation of the child benefit can ensure that the proposals are politically and financially sustainable in the long run. **Option 1**, which implies expanding the current schemes to gradually benefit all families in the Maldives, will require a cost of 0.5 per cent of GDP in the proposed year of implementation in 2021, with its costs peaked at 1 per cent of GDP when the scheme reaches universal coverage of all children aged below 18 years in 2034. **Option 2**, which guarantees that all children access a minimum income that is equal to the poverty line, will require an initial cost of 1 per cent of GDP in 2021, with costs peaked at 2 per cent of GDP when the scheme is universal to all children in 2034. Therefore, costs of the universal scheme will increase annually as more children are covered by the benefit. However, due to the decrease in fertility over time alongside economic growth, the cost of the child benefit will grow relatively slowly, as illustrated in Figure 8-4. By 2034, when the scheme reaches all children below the age of 18, the scheme will have reached the peak of its cost, after which the level of investment required will subsequently fall year on year.

**Figure 8-4: Potential investment in the phased implementation of the proposed child benefit system between 2021 and 2034, as a percentage of GDP**



Source: Based on Authors' calculations.

This recommendation addresses Finding Number(s):

- Finding No. 5: The Proxy Means Test (PMT) and information management does not serve the best interests of those eligible. The cross-verification of income declared for the means-test through a PMT leads to exclusion of eligible recipients.
- Finding No. 8: The registration forms are complex, costly and time consuming.
- Finding No. 9: The schemes have significant administration costs and consequently are not delivered efficiently.
- Finding No. 13: Poverty targeting and the way the system is designed is encouraging recipients to remain 'poor' in order to qualify for support.
- Finding No. 16: There is an under investment in the future human development of the country. 0.1 per cent of GDP is invested in Maldivian children through income support transfers when the global average is 1.1 per cent GDP.
- Finding No. 17: The current schemes do not guarantee the right to social security for all children, as stipulated in the UN Convention on the Rights of the Child.
- Finding No. 18: The Single Parent and Foster Care Schemes only reach 4 per cent of children which is likely to result in limited impacts on child wellbeing in the Maldives.
- Finding No. 20: The schemes could be more rights-focused and aim to reduce social stigma and discrimination/exclusion of beneficiaries

## 8.9 Reform national subsidy programmes to fund a universal child benefit

**Responsible organisation:** President's Office, Ministry of Finance

**Timeframe:** medium – long-term

The funding available for the SP and FC and the subsidies should be reprioritised into a universal child benefit scheme. This funding can be supplemented by the increased tax-based revenue growth arising from the implementation of the comprehensive income taxation system in 2021. This provides the opportunity to channel tax revenues into key redistribution policies through social protection schemes.

Box 8-1 shows how Iran successfully reformed its subsidies into a universal benefit.

### Box 8-1: The Targeted Subsidies Reform Act in Iran

In other countries, expensive energy subsidy schemes have been reformed in order to reprioritise investments to vulnerable families. In 2010, Iran implemented the Targeted Subsidies Reform Act which introduced a universal household benefit to compensate all families after the removal of oil subsidies. The universal scheme emerged as the most effective mechanism to compensate the population for the reform of subsidies which saw prices of basic goods rise rapidly. In comparison to the subsidy scheme, which was regarded as being regressive, the universal household benefit, by design, benefited all families with children (Salehi-Isfahani and Mostafavi-Dehzoeei, 2017).

Moreover, the universal child benefit scheme is likely to result in savings on administrative costs, by simplifying the eligibility criteria and eliminating conditions. As the International Labour Organisation (ILO) appraisal of Universal Social Protection Floors has concluded, universal schemes exhibit an administrative cost of around 2.5 per cent of total programme costs, whereas targeted programmes (such as the Maldives' current programmes) require an average administrative cost of 11 per cent (Ortiz et al., 2017). Therefore, a universal benefit would reduce the strains on NSPA which is currently struggling to administer the poverty targeting mechanisms of the SP and FC schemes.

This recommendation addresses Finding Number(s):

- Finding No. 1: The current approach to social protection is fragmented and ill-defined. It falls short of the desired “social welfare system” envisioned in the SAP.
- Finding No. 10: The system of benefits and subsidies, including social insurance and social security are not considered as a whole. People want more choice on how they spend the support from government.
- Finding No. 12: Contributory social protection mechanisms, such as work injury and unemployment insurance schemes are non-existent in the Maldives.

## 8.10 Consider sponsoring further research for child-sensitive social protection in the Maldives

**Responsible organisation:** NSPA, UNICEF Maldives and external partners

**Timeframe:** short – medium-term

In order to realise a phased in implementation of a universal child benefit in the Maldives, the Government of the Maldives, in collaboration with external partners, may consider conducting research to further the agenda towards social protection for children in the Maldives. This includes building a robust evidence case for investing in children in the Maldives, as well as a feasibility study into financing mechanisms for social protection through a fiscal space analysis.

Further analysis may include:

- Simulation of potential impacts of child benefit options, including top-up mechanisms, on child poverty outcomes and household consumption. This may include illustrating the missed opportunity of investing in children, leading to underinvestment's in indicators of human capital, labour market and economic growth.
- Fiscal space analysis
- In-depth review of the social protection sector in the Maldives, to scale up investments in future generations.

This recommendation addresses Finding Number(s):

- Finding No. 6: Citizens do not have the opportunity to offer feedback on the design of the social protection schemes. Participatory monitoring and evaluation of the social protection schemes does not exist.
- Finding No. 7: Measuring the potential impact of the two social protection schemes was challenging because there was no monitoring and evaluation nor a results framework to guide the evaluation.

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## Annex 1 List of key informants interviewed

No	Key informant	Location
1	Aasandha Social Health Insurance	Male'
2	Advocating for the Rights of Children (ARC)	Male'
3	Care Society NGO	Male'
4	Family Legal Clinic NGO	Male'
5	Government of Maldives – National Bureau of Statistics (NBS)	Male'
6	Hope for Women	Male'
7	Ministry of Gender, Family and Social Services - Family and Child Protection Centre	Male'
8	Ministry of Health – Head of Policy and Head of Health Protection Sector	Male'
9	Ministry of Islamic Affairs – Zakat Section	Male'
10	Ministry of Youth and Sports	Male'
11	National Social Protection Agency – Programmes Section	Male'
12	National Social Protection Agency (NSPA) – Chief Executive Officer	Male'
13	National Social Protection Agency (NSPA) – Stakeholder Section	Male'
14	Pension Administration Office	Male'
15	Society for Health Education (SHE)	Male'
16	UN Women	Male'
17	UNFPA	Male'
18	Fiyavathi orphanage	Hulhumale'
19	Maldives Red Crescent	Hulhumale'
20	Association for cultural and social cooperation CSO	Kulhudhuffushi
21	Court magistrate	Kulhudhuffushi
22	Island Council	Kulhudhuffushi
23	Khulhudhufushi Zuvaanunge Jamiyya (Khulhudhufushi youth association) CSO	Kulhudhuffushi
24	Ministry of Gender, Family and Social Services - Family and Child Protection Centre	Kulhudhuffushi
25	School Principal	Kulhudhuffushi
26	Atoll Council – Social Protection Officer	Addu Maradhoo Feydhoo
27	Council Lawyer	Addu Maradhoo Feydhoo
28	Junior Chamber International (NGO)	Addu Maradhoo Feydhoo
29	Maldives Red Crescent	Addu Maradhoo Feydhoo
30	Mayor	Addu Maradhoo Feydhoo
31	Ministry of Gender, Family and Social Services - Family and Child Protection Centre	Addu Maradhoo Feydhoo

## Annex 1 List of key informants interviews

32	School principal	Addu Maradhoo Feydhoo
33	Atoll Council – Mayor and Deputy Mayor	Fuvahmulah
34	Council Lawyer	Fuvahmulah
35	Ministry of Gender, Family and Social Services - Family and Child Protection Centre	Fuvahmulah
36	OneFuvahmulah (NGO)	Fuvahmulah
37	School – Heads of departments	Fuvahmulah
38	Binaa (NGO) for religious and cultural activities and Games Association of Maavah (NGO) for youth and sports	Maavah
39	Health centre	Maavah
40	Island council	Maavah
41	Island court	Maavah
42	Police	Maavah
43	School – Heads of departments	Maavah
44	Council Lawyer	Naifaru
45	Island Council – Deputy Mayor and council member for Social Welfare	Naifaru
46	Local NGO	Naifaru
47	Ministry of Gender, Family and Social Services - Family and Child Protection Centre	Naifaru
48	Police	Naifaru
49	School Principal	Naifaru

## Annex 2 Framework for assessing the operations of SP schemes

This evaluation assignment will be guided by the analytical model developed by Pathways and authored by Barrett and Kidd.<sup>30</sup> The model provides an analytical framework that examines social protection schemes' administrative processes and institutional provisions. In this specific evaluation, it can be employed to analyse the two schemes administrative processes and organisational policies and management systems.

Cash transfer schemes comprise of five main administrative processes – registration mechanism; enrolment mechanism; the payment delivery mechanism; the change management mechanism; and the grievance and redress mechanism. The proper implementation of these administrative processes are dependent on the existence of appropriate institutional provisions (i.e. organisational policies and systems). In the social protection schemes setting, these organisational policies and systems include institutional and human resource arrangements; operational documents; a training strategy (and materials); a management information system (MIS); a communication strategy (and materials); and, a financial management system. Hence, the evaluation of the two protection schemes will be carried out in relation to these core administrative processes and institutional provisions.

The five core administrative processes can serve as modalities against which the implementation of the two schemes can be evaluated. Each of the five components comprise a range of criteria that helps us evaluate the schemes:

**Registration:** A registration mechanism comprises the stage of selecting the recipients of cash transfer programmes. Sensitisation and awareness creation – through effective communication – is the primary step in ensuring communities have access to information on the programme's objectives and its eligibility criteria. The registration mechanism comprises programme implementers collecting relevant personal data relating to applicants, verifying its accuracy and assessing compliance with the eligibility criteria set for each specific programme.

**Enrolment:** An enrolment mechanism within a cash transfer programme provides a registered beneficiary with a token to identify him/herself during the payments process. Depending on whether a programme has manual or electronic payment mechanisms, the token might be a simple identification card or include biometric data and digital data on smart cards. During enrolment, beneficiaries are expected to provide accurate identification documents while receiving information on the programme.

**Payment:** The delivery of cash to beneficiaries on a regular, reliable and accessible basis is fundamental to the achievement of a cash transfer programmes policy objectives. Some programmes deliver the cash themselves but, increasingly,

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<sup>30</sup> See Barrett, Stephen and Stephen Kidd. 2015. The Design and Management of Cash Transfer Programs: An Overview. KFW Development Bank, Materials on Development Financing, No. 3.

## *Annex 2 Framework for assessing the operations of social protection schemes*

payments are made through private-sector payment service providers (PSP), such as banks and mobile phone companies.

**Change management:** Change is a constant feature of cash transfer programmes. Beneficiaries may become ineligible for a programme and may have to be removed; others may leave a district or change their address; there may be bereavements which require changes; etc. Therefore, it is necessary to design a change management system that can deal with these modifications and ensure that the scheme only pays the eligible. During the assignment, we will identify current change management system, indicate enhancements and ensure that they are documented.

**Grievance and redress:** A functioning complaints and grievance mechanism is critical for accountability and proper programme performance. Cash transfer programmes should design and implement solid complaints and grievances mechanisms that enable citizens to appeal against decisions, file complaints, and provide feedback to implementing agencies.

The proper execution of these administrative processes needs well-functioning organisational policies and systems. This project will assess the extent to which these institutional provisions are put in place and provide the intended functions. These organisational policies and systems include:

**Appropriate institutional and human resource arrangements:** These are necessary to ensure the effective operationalisation of policy as well as accountability for programme performance and resources. We will assess whether the institutional arrangements and human resources are appropriate for the delivery of the Single Parents' and Foster Care Grants. Linked to this we will assess the quality of the programmes' training strategy and training materials.

**Computerised Management Information Systems (MIS):** This is an essential component of a cash transfer and focuses on managing data related to registration, enrolment, payments, case management and grievances. It is also necessary to develop hard and electronic document management systems. Programme MISs underpin effective social protection schemes, ensuring the high-quality delivery of key operational processes. They also play an important role in facilitating and supporting programme monitoring. An MIS for a social protection programme can be seen as a reflection of the operational processes of a programme, predicated upon appropriate technology. We will examine the MIS of the two programmes and assess whether it is fit for purpose or needs to be enhanced to improve the efficiency of the delivery of the Single Parents' and Foster Care Grants.

**Public communications strategy:** Effective communications are important to ensure that people know how to apply for and engage with schemes. A clear communications strategy is imperative in ensuring that communities understand the social protection schemes at their disposal. This should include information on the existence of the programme; how to apply for and engage with various programmes; eligibility criteria required by the schemes; administrative and complaints procedures; as well as accountability mechanisms. In addition, from an inclusion and equity perspective, social protection programmes should develop specific communications strategies for persons with disabilities and ensure they are adequately resourced.

## *Annex 2 Framework for assessing the operations of social protection schemes*

The strategy needs to be tailored to the requirements of specific types of persons, and uses multiple channels of communication. We will assess whether the communications strategy and materials used for the Single Parents' and Foster Care Grants are appropriate for the context of the Maldives and take into account the requirements of potential applicants and recipients.

**Financial management system:** It is important to have a responsive, robust and accountable financial management system that can disburse funds operations and beneficiary payments both reliably and on time, supported by a sophisticated approach to fiduciary risk management. The system should be designed to plan, organise, control and monitor the financial resources of the programme to meet the objectives including timely implementation of programme activities, donor management and statutory reporting. Robust internal controls will minimise risk and strong financial controls will ensure funds are used for the correct purpose. Accurate recording of financial data should be supported by a dedicated chart of accounts, forms and guidelines. Our team will assess the financial management system for the Single Parents' and Foster Care Grants.

**Monitoring and evaluation mechanisms:** These are essential to ensure that programmes provide key performance data to stakeholders and information to enable the on-going improvement of key business processes. Moreover, well-resourced operational monitoring and learning systems are critical in informing the day-to-day operational management of cash transfer programmes. These systems also need to incorporate structured operations coordination mechanisms, clear reporting and scheduling mechanisms and internal auditing instruments. In addition, information to enable the evaluation and assessment of the cash transfer programmes need to be incorporated in the design. We will examine the effectiveness of M&E mechanisms in the Maldives, as they relate to the two programmes.

**Operation manual:** Operations Manuals should incorporate detailed information on a range of programme processes, so that programme staff know how to implement a scheme under all circumstances. These include:

- A full description of all programme processes (targeting, registration, enrolment, payment mechanisms, case management processes, beneficiaries monitoring and other referral services and monitoring and evaluation) and implementation steps;
- Existing institutional arrangements at the national and local levels for programme implementation;
- Clearly defined roles for all responsible institutions and actors;
- Accountability and participatory mechanisms and detail on accessible complaints and grievance mechanisms including independent redress;
- Standards of privacy and confidentiality of information belonging to beneficiaries;
- Summaries of policy frameworks and procedures;
- Clearly defined protocols and procedures for when and how to exit people from the programmes if pertinent.



## *Annex 2 Framework for assessing the operations of social protection schemes*

- Copies of all necessary forms although, if processes such as registration are undertaken electronically, these forms will be translated into electronic form on MIS.

However, we understand that an operational manual as such does not exist for the schemes. Upon advice from NSPA we will review: The Social Protection Act; the regulation for single parent and foster care allowance; and the general regulation for social protection aid and the general requirements to see what information can be gained.

## **Annex 3 Background information on the Maldives**

### **The economic context of the Maldives**

The Maldives is a small island nation in the Indian Ocean consisting of 1,190 small coral islands, of which 190 are inhabited. Islam is the official religion. Smallness (both by population and land) and geographical fragmentation are among structural constraints that create development challenges to the Maldivian state (World Bank 2015; MFT and UNDP Maldives 2014). This geographical and demographic reality has real impacts on provision of services to the wider population in the atolls. In this context, the Maldivian state is left with either consolidating people near the capital Male' where service delivery is concentrated, or provide the services to the people in places where they are located. The government has attempted the former to improve service delivery.

The Maldives economy has been booming since the 1970s and has experienced a remarkable economic transformation over that time. The key drivers of the Maldivian economic transformation have been the rapid development of tourism and related sectors such as construction, transportation and telecommunications (MFT and UNDP Maldives 2014). Fisheries are the second most important contributor to the Maldivian economy. Agriculture is the third significant activity in the country but highly limited by the lack of arable land and poor soil quality. The contribution of agriculture to the country's economy since 2006 has been less than 5 per cent, and it only contributes to 4.3 per cent of employment (World Bank 2015; UNFPA 2015). The income from tourism is redistributed to fund the provision of public services such as education and health as well as to address the development challenges of the Maldivian state. With the booming tourist industry, the country's GDP per capita increased from \$275 in 1980 to \$6,666 in 2013 (World Bank 2015). The Maldives now qualifies as an upper income country according to the World Bank Group's classification.

The Maldivian economy's heavy dependence on tourism and fisheries makes it more vulnerable to shocks than more diversified economies (ADB 2015). Though tourism is the key driver of the Maldivian economy, contributing a third of the country's GDP, it only contributes to 16 per cent of employment in the country. The tourist resorts and the local economy are not well linked as few local products and services are supplied by the local enterprises (World Bank 2015). The tourism sector heavily depends on foreign workers as there are few Maldivians with the technical and management expertise needed by the tourist sector (UNFPA 2016). The low participation of Maldivian citizens in the tourist industry is attributed to the inability of the training institutions to meet the demand for workforce training and development by the tourist industry (Ministry of Education 2019). Women have a lower participation in the tourist industry than men, as less than 3 per cent of female workers are active in the tourist industry (World Bank 2015). Families find it difficult and unacceptable to allow young women to work away from home. Furthermore,

### Annex 3 Background information on the Maldives

labour force participation among women has declined during recent decades, with more girls facing early marriage and pregnancy.<sup>31</sup>

Meanwhile, the fisheries sector only contributes to 1.7 per cent of the country's GDP but contributes 10.5 per cent of the country's employment. However, the sustainability of the fisheries industry is at risk due to overfishing, higher fuel costs and climate change related temperature increases. The declining number of fish is affecting the amount of employment opportunities that the sector is offering (World Bank 2015). Climate change is not only becoming a major threat to the economic well-being of the Maldives but is also posing an existential threat. It is estimated that climate change could cause an annual economic loss of more than 12 per cent to the Maldives GDP by 2100 (World Bank 2015).

The Maldives is among the most vulnerable countries to climate change and rising sea levels due to its small size, lack of land and natural resources and its low-lying nature (MST and UNDP Maldives 2014). It is forecast that the whole of Maldives could be submerged by rising sea levels before the end of the century as 80 per cent of the country is less than 1 metre above sea level. The effect of the rising sea level is compounded by the fact that 42 per cent of the population and 70 per cent of critical infrastructures are located within 100 meters of the shoreline. The social and economic consequences of a rise in sea levels would be disastrous, in particular among those families in the Maldives struggling to meet adequate living costs and adequate housing (World Bank 2015).

The Maldives produces less than one tenth of its food requirements and as a small island state with limited natural resources (ADB 2015), it is highly dependent on food imports, and thus vulnerable to global food price spikes. Further, the limited foreign reserves, price instability, currency devaluation and risk of debt distress can all have lasting impacts on poverty, quality of social services and public infrastructure that can, in turn, impact on private sector development, foreign investments and job creation (Sobir et al. 2014).

### Demography

Despite its smallness in geographical and population size, the Maldives has uneven population distribution. According to the 2014 census result, the total population of the Maldives (including resident foreigners) was 402,071, of which 43.4 per cent and 56.6 per cent were females and males respectively. The resident foreigners account for 15.8 per cent of the total population and cannot access the allowances. The capital Male' hosts 153,904 people while only four islands (Thinadhoo, Kulhudhufushi, Fuvamulah and Hithadhoo) have a population size greater than 5,000 people (National Bureau of Statistics, 2014). The remaining population lives widely scattered throughout the inhabited islands. Male' ranks as one of the most densely populated cities in south Asia, with 53,700 people per square kilometre (World Bank 2015). Yet, only 1,190 people per square kilometre live in the outer

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<sup>31</sup> Sobir, A. R., Shiuna, F., Ibrahim, L., & Shafeeq, S. (2014). Maldives Human Development Report 2014. Bridging the Divide: Addressing Vulnerability, Reducing Inequality. Ministry of Finance and Treasury and the United Nations Development Program in the Maldives.

### Annex 3 Background information on the Maldives

atolls. The dispersion of the population across the 190 inhabited islands puts pressure on service delivery and overall economic development, creating challenges for many families (World Bank 2015). In this spatial context, remote islands with small populations have less accessibility to education, health and other social services (Sobir et al. 2014).

Nuptiality data from the 2014 census shows that about 63 per cent of the Maldivian population is married while 7 per cent are divorced and 3 per cent are widowed (NBS 2015). However, The Guinness Book of World Records in 2002 claimed the Maldives has the highest divorce rate in the world with 10.97 divorces per 1,000 inhabitants per year, while divorce rates have reportedly increased since then.<sup>32</sup> The UN claims that the average 30-year-old Maldivian woman has been divorced three times.<sup>33</sup> Females are more likely than males to be separated, divorced or widowed (DHS 2018). This is true within all age groups. Meanwhile, widowhood increases with age and is more pronounced among women. The proportion of widowed males and females for age 65+ was 16 per cent and 50.4 per cent respectively. In both Male' and the atolls, the proportion of divorced men (5 per cent) is the same. On the other hand, the proportion of divorced women in Male' is 10 per cent while it is 8 per cent in the atolls. There were more widowed women in the atolls (6 per cent) than there were in Male' (4 per cent) (National Bureau of Statistics, 2014). The maintenance/alimony arrangement is such that many carers of children cannot claim maintenance from the fathers who have abandoned their children due to the lengthy court process required.

The Maldives has experienced a decrease in population growth due to declining fertility rates. Total fertility rate has declined from 6.4 children per woman in 1990 to 2.4 in 2014. Estimates in 2015 shows that crude birth and death rates were respectively 22 births and 3 deaths per thousand persons. The dependency ratio decreased from 98 per cent in 1990 to 48 per cent in 2014. The proportion of population whose age lies between 15 and 64 years is about 68 per cent while under 15 and 65+ respectively constitute 27 per cent and 5 per cent of the total population. The proportion of children decreased from 41 per cent in 2000 to 27 per cent in 2014. Of the 27 per cent, those within the age range of 0-4, 5-9, and 10-14 years respectively constitute 38 per cent, 34 per cent and 28 per cent, indicating that the highest proportion of this age group is under the age of 10 years (National Bureau of Statistics, 2014). According to the 2016-17 DHS report, 2 per cent of Maldivian children under age 18 are orphans, with one or both parents deceased. This is down from 3 per cent in 2009 (DHS 2018).

In recent years young people have emerged as a significant demographic force. In the 2014 census 47.5 per cent of the Maldivian population was less than 25 years old. Consequently, the Maldives has entered a demographic window of opportunity to harness the benefits from the rapid economic growth that results when the population age structure shifts (the first demographic dividend). As shown in Figure A3-1, dependency ratios in the Maldives are currently at their lowest point, and will not rise until 2040, after which the proportion of older people in the Maldives will

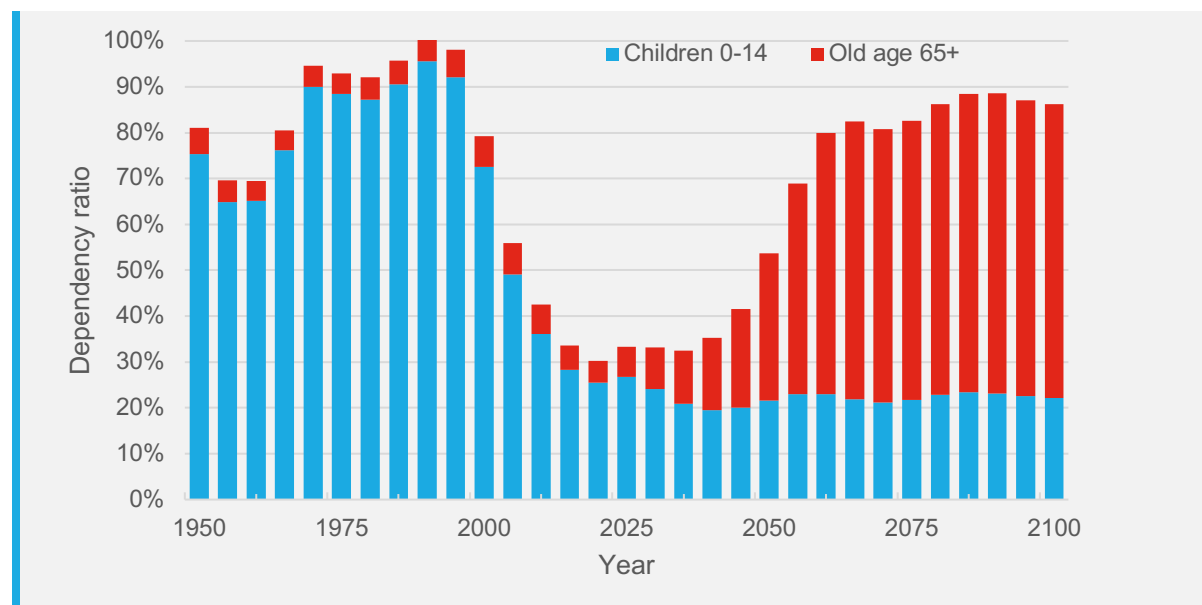
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<sup>32</sup> <https://www.guinnessworldrecords.com/world-records/highest-divorce-rate>

<sup>33</sup> <https://www.ozy.com/acumen/the-paradise-where-everyones-divorced/62937/>

grow significantly. This is a key reason to invest in children and address key risks including increasing youth unemployment that are linked to social ills such as school dropout and drug abuse.

Figure A3-1: Change in dependency ratios in the Maldives over time



Source: Data gathered from United Nations World Population Prospects – Population Division.

## Annex 4 Case studies of child-sensitive social protection schemes

### Mongolia's Child Money Programme

Summary	
Type of scheme	Child benefit
Coverage	80 per cent of children below 18 years
Value of transfer (2019)	20,000 MNT  US\$ 7.6
Budget (2017)	2% of GDP per capita 1% of GDP

Source: Orton et al. (2019)

#### Background

The Child Money Programme (CMP) was implemented by the Government of Mongolia in 2005 as a conditional cash transfer targeted to poor households who were identified through a proxy means test. Conditions included meeting social and health behavioural requirements as well as school attainment. After electoral promises were made to prioritise children, the CMP was reformed into a universal child benefit in 2006, with the level of the transfer being nearly tripled during the same year. Since 2012, the CMP provides a benefit of MNT 20,000 (US\$ 7.6) per month to children below the age of 18 years (Kidd, 2015).

The design of the CMP has been revised a number of times. Since its implementation, the Government of Mongolia has demonstrated significant support towards maintaining a universal child benefit. For example, proposals to introduce means-testing of social transfers in the first supplementary budget for 2015 were rejected by Parliament. However, fiscal pressures resulting from Mongolia's fluctuating commodity prices have been highlighted by international financial institutions as reason for poverty-targeting the CMP. During August 2016, a PMT was introduced to restrict coverage of the CMP to 60 per cent of children. However, due to improvements in fiscal indicators, the CMP was restored as a universal child benefit during July 2017 and embedded within the 2016 Law on Social Welfare. Nonetheless, international pressures led to the re-targeting of the benefit to 60 per cent of children. During April 2018, the Government of Mongolia increased coverage to 80 per cent of children (Kidd, 2015; Kidd, 2018; Orton et al., 2019).

#### Impacts of the scheme

The Child Money Programme illustrates that social protection benefits to children can have significant impacts on child poverty when adequate investments are made to achieve high coverage of children and adequate transfer values. When the CMP was introduced as a conditional, poverty-targeted transfer, the transfer was found to reduce the child poverty headcount by almost 4 percentage points (Hodges et al., 2017); yet, once it became a universal benefit for all children under the age of 18, at



a higher transfer value, the poverty headcount was reduced by 10 percentage points (Orton et al., 2019).

## Iran's universal household transfer

Summary	
Type of scheme	Household transfer ('cash subsidy')
Coverage	Universal households transfer
Value of transfer (2011)	455,000 IRR
	US\$ 45
	6.5% of GDP per capita
Budget (2011)	0.6% of GDP

Source: Salehi-Isfahani and Mostafavi-Dehzoeei (2017)

### Background

The Government of Iran introduced a cash transfer in 2010, in line with the Targeted Subsidies Reform Act, to compensate households for the impacts of the elimination of bread and energy subsidies which saw a rise in fuel prices. In 2011, the cash transfer reached almost universal coverage of households, with 73 million Iranians receiving cash benefits, paid to the head of household. The design of the cash transfer as a universal household benefit had resulted from significant challenges that were found in the initial design of the scheme as targeted to 70 per cent of the population living below the median national income. By providing all families in Iran with a benefit, the scheme effectively compensated the population for the elimination of national subsidy programmes, of which the energy subsidy was particularly found to be regressive in its design. While those among the lowest income decile were found to rely most heavily on subsidy programmes, measured as a proportion of total household expenditure, the share of total energy subsidies going to those in the highest income decile was three times higher than that received by those in the lowest income decile (19.2 per cent compared to 6.0 per cent).

While significant impacts of the scheme on national poverty rates have been measured during the initial year after its implementation, the scheme currently faces challenges with maintaining purchasing power, as the value of the transfer does not take into account continuous inflation in Iran. As a result, purchasing power of the cash transfer has decreased gradually over time, since its implementation (Salehi-Isfahani et al., 2015; Machado et al., 2018; Orton et al., 2019).

### Impacts of the scheme

Three months after its implementation, the cash transfer has been found to reduce the poverty rate in rural areas from 20.2 per cent to 12.0 per cent, while it has led to reduction in poverty from 12.0 per cent to 8.0 per cent in urban areas. The national poverty rate is found to be reduced by 4.7 percentage points as a result of the transfer. Furthermore, evidence from the same study has found that rural families increased their uptake in financial services offered through banks (Salehi-Isfahani et al., 2015). Contrary to early criticisms of the scheme in public media channels, analysis has shown that the scheme has not discouraged people from working.

While the same study found that labour supply among young adults (aged 20-29 years) had decreased, this is likely the result of a higher proportion of young people enrolling in higher education (Salehi-Isfahani and Mostafavi-Dehzoeei, 2017).

## South Africa's Child Support Grant

Summary	
Type of scheme	Child benefit (affluence tested)
Coverage	63 per cent of children below 18 years
Value of transfer (2019)	R 420
	US\$ 32
	5.7% of GDP per capita
Budget (2019)	1.2% of GDP

Source: SASSA Annual Report 2018/19; South African Government, at <https://www.gov.za/services/child-care-social-benefits/child-support-grant>

### Background

South Africa's Child Support Grant (CSG) was introduced in 1997 as a means-tested benefit for children aged 0 to 7 years. Since its implementation, the CSG has expanded to cover children aged below 18 years while revisions have been made to the income eligibility threshold for the means test. While the benefit is an entitlement to children, it is paid to the child's primary caregiver, which can be a parent, grandparent or any persons aged over 16 years that is heading a family. If the caregiver is not the child's parent, proof must be provided through an affidavit from a police official or the biological parent, a social worker's report or a letter from the school principal.

The benefit is means-tested in the form of an affluence test, as it does not try to identify children living in the poorest households but, rather, attempts to exclude those living in more affluent families. The income threshold for the means-test is set at R 48,000 per year for single caregivers, and R 96,000 for married couples, for which the combined income is taken into account. Eligibility for the scheme, based on the affluence test, is determined through self-declared income by the applicant, supported by documentation including proof of maintenance received for the child and proof of earnings. The applicant is required to sign an affidavit in the presence of a Commissioner of Oaths in order to declare that the information is truthful.

## **Impacts of the scheme**

Various studies have demonstrated the positive impacts of the CSG on child-sensitive outcomes. For example, Agüero et al (2007) have found that the CSG has resulted in positive child growth as a result of improvements in child nutrition. It was estimated that an increase in lifetime earnings resulting from the CSG, due to its positive impacts on child development, is 60 to 130 per cent greater than the cost of early life support from the scheme. Furthermore, the scheme has been shown to lead to positive outcomes in school attendance, as a receipt of the CSG was associated with a reduction of approximately 25 per cent of children not attending school (Samson et al. 2004). The earlier that children were enrolled in the CSG, the higher their test scores in mathematics and reading were once at school (DSD, SASSA and UNICEF, 2002).

## **The Foster Child Grant in South Africa**

Separate from the child benefit system, the Government of South Africa implements a Foster Child Grant (FCG) which predates the Child Support Grant. The FCG provides a higher transfer, of R 1,000 (US\$ 76) per month per child below the age of 18 years in order to compensate guardians for the cost of caring for children who have been placed under state care. In contrast to the CSG, the FCG is not means tested as it is not designed as an income support scheme for families living on low incomes. Rather, the FCG remunerates guardians for the care that they provide for children who have been placed in their custody by a court order. Children placed under state care and subsequent guardianship by foster carers include those that have been orphaned, abandoned, children at risk, and victims of abuse or neglect.

The implementation of the FCG is based on the 2010 Children's Act. However, South Africa has faced challenges with the implementation of the FCG due to lack of clarity of the programme as set out in legislation, leading to different interpretations from magistrates on the practice of 'fostering'. Furthermore, due to human resource constraints, the FCG has experienced administrative challenges in the processing of applications for the FCG (Hall and Proudlock, 2011).

## Annex 5 Social protection targets and activities in the SAP

Policy 1: Strengthen the social protection mechanism through the provision of essential social services and income security measures

- Target 1.1: By 2021, expand the coverage of Aasandha facilities on critical illnesses and specific chronic diseases to private hospitals and clinics
- Target 1.2: By 2023, establish a well-coordinated social welfare system
- Target 1.3: By 2019, expand Aasandha services to Maldivians residing in India, Sri Lanka and Malaysia
- Target 1.4: By 2023, ensure at least 70% of the most eligible benefit from a harmonised social protection mechanism

Strategy 1.2: Revise benefit packages of existing social protection programmes designed towards protection of children to ensure income security for vulnerable children.

- Action 1.2a: Revise existing single parent allowance programme benefits to target children (2019-2020)
- Action 1.2b: Revise existing foster parent allowance programme benefits to incentivise fostering (2019-2020)
- Action 1.2c: Review the on-going National Action Plan on Violence Against Children (2017-2019) and formulate a National Action Plan (2020-2023) on VAC in line with the Law on the Protection of the Rights of Children (2019-2020)

Policy 2: Strengthen the legal and regulatory framework to ensure quality and efficient provision of social protection services

- Target 2.1: By 2023, ensure at least 50 children are fostered by community
- Target 2.2: By 2023, enact Social Workers Act

Strategy 2.1: Revise and realign regulatory framework to ensure a consolidated social protection system

- Action 2.1b: Conduct a review of Social Protection Act, Domestic Violence Prevention Act, Disability Act, Gender Equality Law, Sexual Offences Act, Sexual Harassment Prevention Act, Special Measures Act (2019-2020)
- Action 2.1c: Reduce administrative burden on social security applications through a single applications portal (2020-2021)

Strategy 2.3: Develop and strengthen the regulatory framework for fostering and alternative care mechanisms

- Action 2.3a: Conduct a comprehensive study on the implementation of the existing Regulation on fostering (2019)
- Action 2.3b: Review and publish Fostering Regulations (2020)

## *Annex 5 Social protection targets and activities in the SAP*

- Action 2.3c: Strengthen monitoring of the foster care and alternative care mechanism (2020)
- Action 2.3d: Conduct awareness programmes and encourage communities to provide care for children who can be fostered (2019-2023)

Policy 3: Reform and strengthen the social protection system to ensure sustainability of social protection expenditure and the efficiency of the system

- Target 3.1: By 2022, establish well managed integrated data management system for easy access to social protection system
- Target 3.2: By 2023, establish efficient multi-sectoral coordination mechanism

Strategy 3.1: Reform existing social protection programmes to develop a consolidated social protection system and ensure better targeting

- Action 3.1a: Review the existing multi-sectoral coordination mechanism (2019-2020)
- Action 3.1b: Establish an interoperable and integrated data management system through the National Data Centre to ensure easy access to social protection system for citizens and to enable monitoring and evaluation of social protection programmes (2019-2021)
- Action 3.1c: Harmonise all social assistance programmes to avoid duplication of social assistance to beneficiaries

Strategy 3.3: Strengthen and improve national targeting mechanisms for social protection expenditure

- Action 3.3a: Establish a mechanism to verify the socio-economic status of beneficiaries and applicants
- Action 3.3b: Review all existing social assistance programmes to reflect socio-economic status of beneficiaries
- Action 3.3c: Revise the proxy means test for social protection programmes in alignment with the new household income and expenditure survey
- Action 3.3d: Establish a monitoring and evaluation framework for all social assistance programmes

## Annex 6 Field team reflection

### Team leader and evaluator – Kristie Druzca

This was a challenging study. Travelling around the islands and securing transportation was difficult. There were two particularly difficult boat rides that had a lot of people seasick and vomiting due to the rough seas. The beneficiary lists being out of date made it take longer to find people because phone numbers did not work.

An unexpected observation was the number of women we interviewed that cried. It was not that we were asking particularly personal questions, more that single women have suffered a great deal of trauma and abuse. It did not take much for them to cry when they reflected on why they were single. Many personal problems and social issues are not dealt with through counselling and support networks. It was disheartening to hear that on some islands non-government organisations that promote family planning are seen to be immoral and this ricochets onto all non-government organisations, regardless of their mandate. There was a sense of despair that there was no one to help and support single women who struggle to raise their children, and feed their family. The social exclusion and helplessness felt by some women was suffocating.

### Co-evaluator – Anh Tran

A researcher working in the Maldives quickly learns of the unique characteristics of this island nation that is found in the diversity of its islands, made up by the vast distances between Atolls and their small un-inhabited and inhabited island. A key lesson learnt from my observations whilst travelling between the densely populated Male' to some of the remote and isolated islands, is that the social context of the Maldives should be considered as one with many micro-cultures and societies that make up each inhabited island. My visit to Laamu Atoll Maavah – the smallest population sample of this evaluation as an island with less than 2,000 inhabitants – exemplified one of these small island societies in the Maldives. In the absence of key social services such as the Family and Child Protection Centre, 'social community groups' emerge as the main providers of public services, ranging from police protection to the monitoring of health standards of children starting school. I found this a particularly remarkable aspect of community life in this island, due to the trust that is built among neighbours and local actors. For example, local community actors, including the school, health centre and police, supported their neighbours with construction of shelters, that was entirely led through grassroots movements. Nonetheless, community members expressed the need for better coordination to facilitate rapid responses and a stronger role of social protection to ensure that women and children are not left behind. As one of the health workers stated: *"A lot of problems in the community can be solved, if the community can act fast."*



**National researcher – Athifa Ibrahim**

People in the communities were generally aware of the different social protection schemes, including the single parent (more well-known) and the foster care schemes (known to few). The staff from the island council of Kulhudhuffushi were extremely helpful and went out of their way to assist the data collection process. The participants of both the female and male FGDs also helped the research team to identify the vulnerable on the island.

Though a number of years have passed since the introduction of both of these schemes, through the lived experiences of many beneficiaries, especially single women residing in outer islands, still they have many challenges in accessing the schemes. For instance, it is observed that vulnerable women (divorced with 2 or more kids under 10 and living alone) are unable to even fill out the application forms and get the necessary supporting documents unless they get help from the council, family/relatives or friends, partly due to the cumbersome administrative procedure and difficulties in filling out the complicated application form. This causes delays in timely access to the scheme and exacerbates the vulnerability of such recipients. There is a general belief among the recipients of the single parent allowance, that NSPA may discontinue their allowance, if they save some amount in their bank accounts. This discouraged the recipients from engaging in other small scale income generating activities (home based work) and depositing cash in their bank accounts to save for the future. This in turn reinforces their vulnerability as they are more inclined not to improve their financial status in order to continue receiving the benefit from these schemes.

It was more challenging and time consuming in Male' to reach out and arrange the beneficiary interviews, as most of the contact information shared by NSPA is outdated (people tend to change their mobile numbers and residential addresses quite frequently and there is no systematic way of updating this information at NSPA). Moreover, even after agreeing to take part in the research, some of the beneficiaries in Male', opted out after speaking with other family members, citing the reason that they can't trust that this is an authentic research, as there are hoax calls and people who get their information for their personal gain.

The most vulnerable are caught in a vicious cycle. As most of the schemes operate independently, the beneficiaries have to apply and follow up on schemes separately which is difficult and an administrative burden. Though the need for having a comprehensive and coordinated social protection mechanism has been identified, in reality the practice is different. Though a cash hand out is given to the recipients, the lives of the most vulnerable families have not really changed as the benefit level is not adequate and the much needed services may not be available locally.

**National translator and facilitator – Jeehan Saleem**

Policies on social protection for single parents and foster parents are important to ensure wellbeing of the children. However, I realised by talking to the stakeholders and beneficiaries that the policies, rules and regulations are not transparent and there is a huge disconnect between NSPA, implementers, stakeholders and beneficiaries. Information doesn't get passed on to the vulnerable and most needy groups. Councils are not engaged significantly except for undertaking administrative processes. The whole scheme is process oriented and it becomes inaccessible for many vulnerable families. For example, the bulky paperwork discourages the most vulnerable groups. However once registered few encountered issues with the cash handouts. There are many loopholes in the schemes that need to be improved. For example, single parents who are employed are not eligible. This increases dependency and they become more vulnerable. The elderly allowance is 5000/- per month while single parents receive 1000/- per child. A re-evaluation is necessary, and the amount should reflect the basic living costs /living standards for each child in order to ensure the wellbeing of the children. Awareness of the scheme among the vulnerable groups like single parents is low; especially amongst those who are eligible. For example, the majority were not aware that single fathers were eligible, and most people did not know about the foster care scheme. The pay-out for each child does not match the cost of living and this needs to be revised. Overall island communities are facing numerous, social economic and financial hardships.

**National translator and facilitator – Sheena Moosa**

The island communities are welcoming, friendly and ready to help. Even in arranging boat travel and accommodation, people treated us as 'friends' and we did not feel as outsiders at any point of time. Even in identifying vulnerable homes the community is quite open and provided suggestions freely. We did not see any indication of stigma associated with beneficiaries. We felt that the communities, even in the bigger islands we visited continue to have friendship and kinship relationships with a number of households. Furthermore, even the most vulnerable families offered us tea as a courtesy and demonstrating the Maldivian culture of hospitality. I was most amazed by the resilient attitude of the vulnerable towards life despite their circumstances.

## Annex 7 Assumptions used for costing a UCB in the Maldives

The costings analysis includes two sets of options for the progressive realisation of a universal child benefit in the Maldives, starting in 2021.

**Option 1:** Starting in 2021, children aged 0 to 4 years would be entitled to a benefit of MVR 2,200 per month which is equivalent to the value of the current national poverty line. The value would be indexed to inflation, increasing year-on-year. An education stipend of MVR 200 would be provided as a top-up of the Child Benefit, based on the average expenditure on education according to the HIES 2016. An education stipend for Single Parents of MVR 500 would be provided, based on the value of the Book Allowance currently implemented for tertiary education students in the Maldives.

**Option 2:** Starting in 2021, children aged 0 to 4 years would be entitled to a benefit of MVR 1,000 per month, which is equal to the current value of the benefit provided by the Single Parent Allowance. The value would be indexed to inflation, increasing year-on-year. An education stipend of MVR 200 would be provided as a top-up of the Child Benefit, based on the average expenditure on education according to the HIES 2016. An education stipend for Single Parents of MVR 500 would be provided based on the value of the Book Allowance currently implemented for tertiary education students in the Maldives.

The education stipend for children would be implemented from 2023, when children receiving the child benefit reach schooling age. Therefore, in 2023, children receiving the child benefit would start receiving an additional education stipend and would not be taken off this scheme until they reached the age of 18 years.

In order to achieve the right incentives for school attainment, the education stipend for single parents would be implemented universally to all single parents attending school, from 2021.

For both options, the following set of assumptions is used to calculate the costing:

- Recipient numbers are calculated based on population figures obtained from UNDESA (UN Population estimates, 2019). Additional criteria, such as being a single parent attending school, are assessed based on analysis of the 2016 DHS.
- Economic indicators, including information on GDP and inflation rates, are based on the IMF World Economic Outlook Database, October 2019. IMF projections are provided up to 2024, after which constant rates are assumed until 2034, based on the average values taken between 2019 and 2024.
- Benefit values are increased year-on-year as they are indexed to inflation.
- Administrative costs for the universal child benefit are set at 7 per cent of total programme cost in its implementation year, after which the costs will gradually decrease, as a percentage, as the registration and enrolment process will become more efficient. The administrative costs are assumed to be low, as

## *Annex 7 Assumptions used for costing a UCB in the Maldives*

found across universal child benefit systems internationally. The administrative costs for the education stipend for single parents is assumed to be higher, as a percentage of total programme costs, due to the added administrative burden of assessing single parenthood to determine eligibility for the stipend.

- While the programmes are implemented universally, the coverage is assumed to be 90 per cent of the eligible population, as coverage of social protection schemes does not normally match population demographics exactly, while there is typically a degree of self-exclusion among families.

## Annex 8 Evaluation matrix

Topic	Suggested research questions	Method
<b>OECD DAC criteria</b>		
Relevance	Are the various risks and vulnerabilities faced across the lifecycle (esp. faced by children and direct and indirect beneficiaries) that are embedded within wider family, household, community and kinship networks addressed by the schemes?	Desk/ Document review, KII
	To what extent are the outcomes of the programme compatible with the intended objectives?	
	Are the social protection schemes in line with the national strategies and priorities of the Maldivian state?	
Effectiveness	Are the social protection schemes inclusive and address income insecurity among children?	FGD,
	To what extent are the objectives of the social protection schemes attained?	KII,
	Are the social protection schemes inclusive of the intended recipient groups?	Desk Review
	Do they address income insecurity among children in the Maldives?	
Efficiency	What are the major factors that influenced the attainment or non-attainment of the intended objectives?	
	Is the implementation of the schemes resource efficient compared to the impacts it has generated?	Desk review,
	Are the social protection schemes implemented in cost efficient manner?	KII
	Are the costs and benefits compatible?	
Impact	What are the causes for inefficiencies, if any?	
	What are the positive and negative impacts of the implementation of the social protection schemes?	Desk review,
	What are the impacts of the schemes on consumption patterns, food security, livelihood and access to health and education?	KII,
	How do beneficiaries regard the schemes?	FGD

## Annex 8 Evaluation matrix

	<p>What are beneficiary experiences as a grantee?</p> <p>Have the schemes benefitted the intended number of people?</p> <p>What are the barriers to intended changes, if any?</p>	
Sustainability	<p>Are the social protection schemes sustainable in the long run?</p> <p>To what extent are the schemes financially and institutionally sustainable?</p> <p>What are the factors affecting the financial and institutional sustainability of the schemes, if any?</p> <p>Has future implementation and funding been considered/planned for?</p> <p>Is there enough capacity within the ministry for implementation? Where are there gaps?</p>	<p>Desk review,</p> <p>KII</p>
<b>Administrative processes</b>		
Registration mechanism	<p>What are the registration mechanisms that the implementing agencies are using?</p> <p>What are the targeting criteria used? How is it implemented?</p> <p>How does the selection take place?</p> <p>Do programme implementers collect relevant personal data relating to applicants?</p> <p>How do implementers verify its accuracy?</p> <p>How do implementers assess compliance with the eligibility criteria set for each specific programme?</p> <p>Do beneficiaries feel that the targeting is set right? Is the eligibility criteria accurate?</p>	<p>Review operational documents for targeting and eligibility criteria;</p> <p>KII with implementing agencies at national and field level; local communities</p>
Enrolment mechanism	<p>What are the enrolment mechanisms that the implementing agencies are using?</p> <p>What token for identification do beneficiaries receive (e.g. identification card or digital smart cards)?</p> <p>What information do beneficiaries receive at enrolment?</p>	<p>Review operational documents;</p> <p>Collect sample token;</p>



## Annex 8 Evaluation matrix

	<p>Is this information easily understandable, or is it confusing for potential beneficiaries?</p>	KII with implementing agencies at national and field levels
Payment delivery mechanism	<p>What happens if someone does not have the required identification documents?</p>	<p>Review financial documents; KII with implementing agencies;</p> <p>FGD with beneficiaries</p>
	<p>Are the payment delivery mechanisms that is being used for implementing the social protection schemes efficient?</p>	
	<p>Is it a manual or electronic payment mechanism?</p>	
	<p>How are payments made?</p>	
	<p>If a service provider sector is involved, how are they regarded by the beneficiaries?</p>	
	<p>Are payments made in a regular, reliable and accessible basis? If not, what causes the discrepancies?</p>	
	<p>Is the payment mechanism appropriate to the literacy of the beneficiary? Is it appropriate to the Maldives context?</p>	
Change management mechanism	<p>How do the implementing agencies manage change in the process of implementing the social protection schemes?</p>	<p>Review operational manuals and policies; KII with implementing agencies and beneficiaries</p>
	<p>When beneficiaries become ineligible for the programme, how are they removed?</p>	
	<p>What is the process for when a beneficiary leaves a district or changes their address?</p>	
	<p>What happens to eligibility if there is a bereavement requiring changes?</p>	
	<p>How effectively/timely does the programme deal with these modifications?</p>	
	<p>What enhancements to the system are needed to manage changes better?</p>	
	<p>Do any beneficiaries experience a debt as a result of a slow change management system?</p>	
Grievance and redress mechanism	<p>What are the grievance and redress mechanisms put in place for the implementation of the schemes?</p>	<p>Review operational manuals;</p> <p>KII with implementing agencies</p>
	<p>How do citizens:</p> <ul style="list-style-type: none"> <li>• appeal against decisions they disagree with.</li> </ul>	

Annex 8 Evaluation matrix

	<ul style="list-style-type: none"> <li>• file complaints?</li> <li>• provide feedback to implementing agencies?</li> <li>• Consider the value of putting in an official complaint?</li> </ul>	FGD with beneficiaries
<b>Institutional and human resource arrangements</b>		
Appropriateness	<p>Are institutional and human resource arrangements put in place are compatible with the core administrative processes?</p> <p>Do the organisational policies and systems support the schemes registration and enrolment mechanisms?</p> <p>And the payment delivery, change management, and grievance redress mechanisms?</p> <p>Are the institutional arrangements and human resources appropriate for the delivery of the Single Parents' and Foster Care Grants?</p> <p>What is the quality of the programmes' training strategy and training materials?</p>	<p>Operational documents; human resource documents (e.g. training strategy materials); management information system (MIS); communications strategy/ materials; financial management system;</p> <p>KIIs with implementing agencies</p>
Computerised Management Information Systems (MIS)	<p>Have the schemes put efficient MIS in place for programme implementation?</p> <p>Does the information management system (MIS) reflect the operational processes of the programme?</p> <p>Is the technology used appropriate?</p> <p>How can the MIS of the two programmes be enhanced to improve the efficiency of the delivery of the Single Parents' and Foster Care Grants?</p>	<p>Review the schemes MIS;</p> <p>KII with programme implementers</p>
Public communications strategy	<p>What are the publication communication strategies that the schemes use?</p> <p>Do the schemes have a communications strategy?</p> <p>Does it include multiple channels of communication?</p> <p>How effectively is it implemented? How well does it target vulnerable and excluded groups such as those living with a disability?</p>	<p>Review operation manuals;</p> <p>KII with implementing agencies; local non-beneficiaries</p> <p>FGD with beneficiaries</p>

## Annex 8 Evaluation matrix

	Does it include information on: the existence of the programme; how to apply for and engage with various programmes; eligibility criteria required by the schemes; administrative and complaints procedures; as well as accountability mechanisms?	
Financial management system	Are eligible people unaware of the schemes?	Review the schemes financial documents
	Is the financial system of the schemes efficient?	
	Does the finance system disburse funds reliably and on time?	
	Does it have a sophisticated approach to fiduciary risk management?	
<b>Vulnerability framework</b>		
Vulnerability	Suggested research questions	Methods
Lifecycle	What are particular lifecycle vulnerabilities that people with disability face?	Desk/Literature review;
	Are there in built mechanisms for specifically addressing beneficiaries with disabilities?	Secondary data analysis
	How do lifecycle risks shape beneficiaries' vulnerabilities?	KII with programme implementers/local communities;
	What specific lifecycle risks do families in the social protection schemes face?	FGD with local communities
	Are there specific nutritional, health and food security problems children in the social security schemes are facing?	
	How are income insecurity and poverty contributing to lifecycle risks?	
Intersectionality	Is there a holistic package of social protection support in place?	Desk review of existing policies and operational manuals;
	How does disability interact with other factors to shape the vulnerabilities of people with disability?	
	How do people having difficulty seeing access the services of the social protection schemes?	
	How do people having difficulty walking get to social protection provision centres?	
	How do the schemes make sure that people having difficulty hearing get information and hence access?	FGD with local communities

Annex 8 Evaluation matrix

	<p>What are overlapping identities that are shaping vulnerability in the Maldivian context?</p> <p>How do gender, age, class, disability and location interact and impact the implementation of the social protection schemes?</p> <p>How do gender, age, class, disability and location interact to shape accessibility to the social protection schemes?</p> <p>How do these categories of identity intersect to create deeper pockets of exclusion and inequality?</p> <p>To what extent are the social protection schemes inclusive?</p> <p>What identity traits shape vulnerability in the Maldives?</p>	
<p>Gender, power and environment</p>	<p>Do eligibility criteria to the social schemes address women with disability?</p> <p>How do environmental vulnerabilities particularly affect people with disability?</p> <p>How do gender, power and environment are linked to vulnerability in the Maldives?</p> <p>Are the eligibility criteria of the social protection schemes gender sensitive?</p> <p>Does being a woman in Maldives make one more vulnerable than being a man?</p> <p>Are there specific barriers faced by female headed households in terms of access to information regarding the schemes?</p> <p>Are there administrative difficulties in accessing the schemes?</p> <p>How have the cash transfers increased women's access to labour markets?</p> <p>Have the cash transfers improved gender-based violence, if any?</p>	<p>Desk/Literature review;</p> <p>KII with programme implementers and local communities;</p> <p>FGD with local communities</p>

## Annex 8 Evaluation matrix

What are specific vulnerabilities posed by environmental/ climate changes in the Maldivian context?

Does the government create an enabling environment for poverty alleviation?

Do environmental risks differentially affect different social groups?

Do power relationships (in terms of gender, age or class) create differential access to the social protection schemes?

Are there local power holders or structures that change or undermine the way the social protection schemes are delivered and valued?

Do these schemes help to combat or mitigate climatic changes?

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