

102. *In the future, the Maldives should aim for IBRD creditworthiness.* Maldives eligibility for IBRD lending could also be considered as part of the CAS Progress Report at mid-term. The uncertainties posed by recent expansionary policies and the political transition make it inopportune to consider an IBRD envelope at present. However, with fiscal correction, the conditions might be right to assess the creditworthiness of the country.

V. RESULTS MONITORING AND EVALUATION

103. *In recent years, the government has sought to strengthen its monitoring and evaluation (M&E) systems.* The databases it maintains provide an increasingly satisfactory set of statistics, with some variations in relative quality. The economic and fiscal data sets maintained by government are generally adequate for the government and donors to monitor performance at a national level. There is room for improvement, especially with regard to (a) the preparation and timely availability of budget implementation data, (b) GDP from the expenditure side, and (c) the composition of private capital flows in the balance of payments. Working with government, the Bank's economic team will seek to update the statistical tables at least twice a year. A simple fiscal model has been developed jointly by the Government and the Bank's economic team, using a nested set of spreadsheets. This will be used for this purpose.

104. To monitor improvements in the performance of institutions responsible for managing and monitoring public expenditures, a simple institutional audit will be undertaken in mid-2009 and compared against current performance.

105. To monitor performance of financial institutions and access to finance, a limited survey will be undertaken in mid-2009, and compared against the results of the ICA, completed in 2005.

106. Data collected on poverty trends and on key social sectors, like education and health, is in general adequate. The recently completed ICR for the Third Education and Training project provides a useful set of baseline data for the education sector. When complimented by data collected for the M&E component of the IHDP project, a useful data set is available. These data sets will be updated at regular intervals should an additional lending operation be prepared for the sector.

107. More generally, the household level data from the government's household expenditure surveys and Poverty and Vulnerability Surveys, provides a fairly complete picture of social indicators and trends. A Maldivian version of InfoDev has also recently been launched, with the help of UNICEF.

108. Some environmental data is available but there is much room for improvement. This will be a focus for the proposed environment project that is currently being prepared.

109. Monitoring will take place primarily through intensive project-level supervision, mid-term project reviews, and other specific studies listed above. In addition, government's policy performance will be rated through the regular CPIA exercise and through regular assessments of the IMF. A review of progress and lessons-learned under this CAS will be carried out at the mid-term review at the end of FY10.