

HOUSING IN MALDIVES



Ministry of Housing, Land &
Urban Development



CONTENTS

- Overview of housing scenario in Maldives
- Legislative Overview
- The need for policy



HISTORICAL PERSPECTIVE

- Historically - Government gives out free land plots (Bandaara goathi) as a mean for providing housing.
- Individual finds own sources to finance construction of land plot (it takes about 15 years on average to build a house on own using savings/ borrowings).
- Over the years, provision of housing became a challenge due to land scarcity and finance constraints.
- Rapid economic growth led to a paradigm shift in housing development.
- Public housing was introduced in early 1990's with the support of foreign funded aids



HISTORICAL PERSPECTIVE



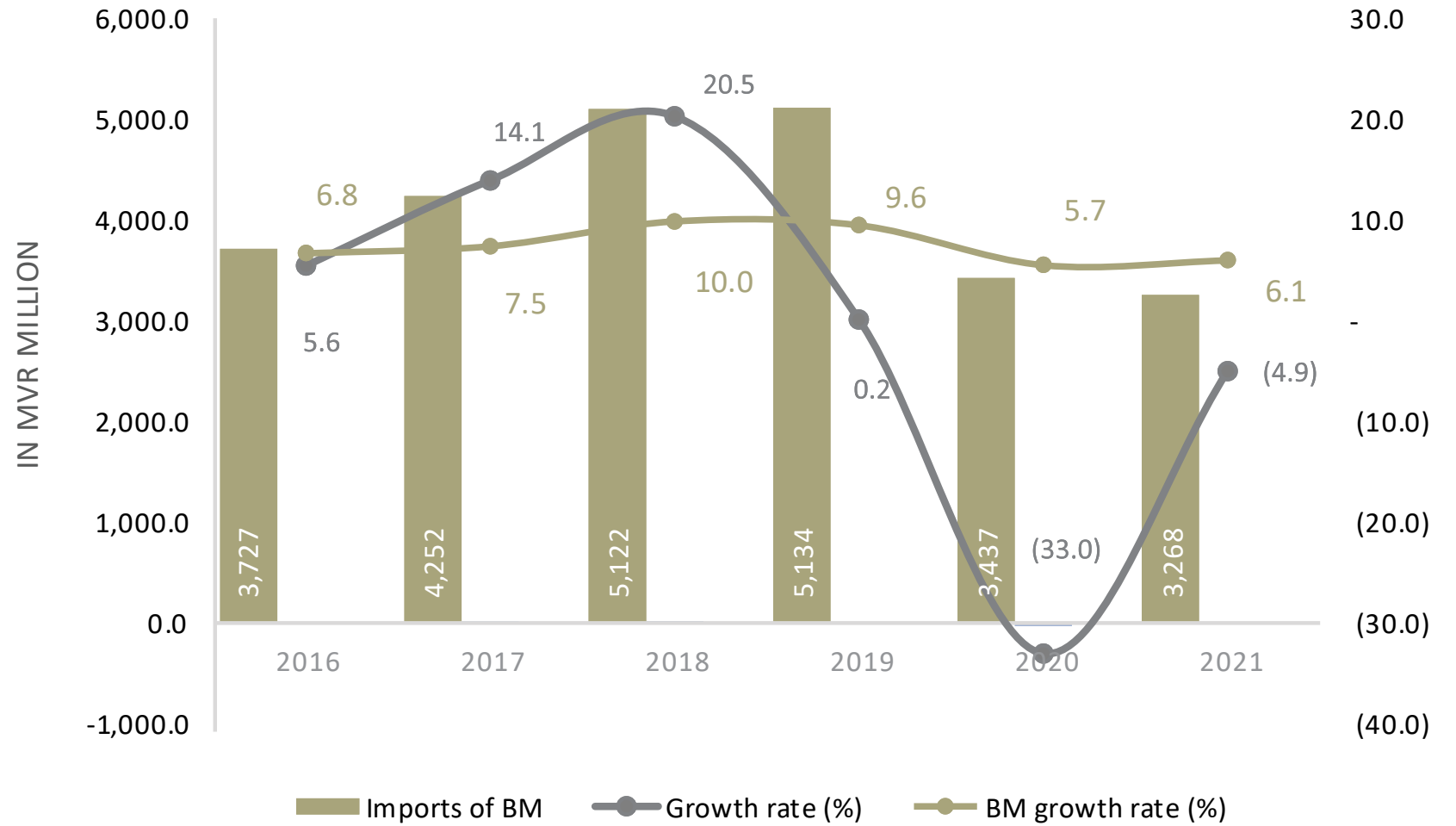
- With rapid development - a cultural shift of moving away from extended family to nucleus family. This led to increasing demand for housing.
- Population concentration towards Male' region exacerbated housing situation- precursor of most of the social problems.
- Lack of proper housing framework & standards led to poor housing conditions in Male' regions.
- Housing sector emerged out of market forces.
- And in order to cater housing need, land reclamation has been carried out in Male' area.

BUILT- ENVIRONMENT

- Over the years, construction industry bloomed – partly contributed by the need for housing
- The construction industry amounts for 6.8% of Maldives GDP (*MBS, 2022*)
- Turnover of approximately MVR 4.8 Billion
- Construction industry employed 3.4% of local labor, while expatriate workers employed staggering 92% (*2019 Household Income & Expenditure survey, MBS*)



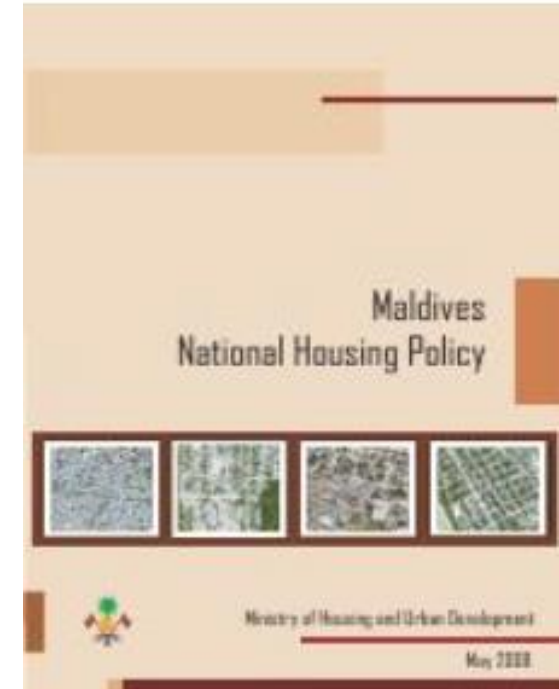
BUILT-ENVIRONMENT



Data Source: MBS

LEGAL FRAMEWORK

- **Limited Laws and Regulations exists: with the need for revision**
- **Maldives National Housing Policy**
- **Land Act (1/2002), Strata Property Act (33/2021) and relevant planning regulations**
- **Building Act (4/2017) Building Controls with health & Safety regulations**
- **Environmental Control – Energy, URA, EPA, Environment impact assessments**



ISSUES FACING THE HOUSING SECTOR



- Housing backlogs estimated to be around 25,000 people in need of housing in Male' region.
- Housing shortage is one aspect of national housing problem, while we have other issues of housing allocation & problems of housing affordability.
- Urban developments/ Redevelopments
- Environmental impact of construction, land reclamation, buildings & Energy efficiency
- Government initiatives to increase housing stock & less private sector engagements in social or affordable housing.
- Legislative issues
- Skills shortages including management
- No timely and up to date statistics available understand the extent of housing situation in the country (supply & demand side)

THE NEED FOR POLICY



- **The urban population** – increasing concentration in capital city – 2/3 of population resides in Male' region.
- **Balance regional developments** – by adopting regional planning approach
- **New integrated urban centers and sustainable developments** – by adopting national development plans
- **Role of housing** – housing sector contributions, FDIs & Local business involvements, legal frameworks, sustainability concerns, infrastructure, community engagements.
- Evidence based decision making – towards a policy making driven by a 'culture' based on data.