

DRAFT

**ACT ON DECENTRALIZATION OF THE ADMINISTRATIVE
DIVISIONS OF THE MALDIVES**

Support to National Regionalisation and Decentralisation Programme

Ministry of Home Affairs

7/15/2010

ACT ON DECENTRALIZATION OF THE ADMINISTRATIVE DIVISIONS OF THE MALDIVES

CHAPTER 1

GENERAL ARTICLES

1. Introduction and Title

- (a) This is the Act on the creation of offices, posts, island councils, atoll councils and city councils and the determination of their characteristics, jurisdiction and required principles or rules for the purpose of decentralized administration of the Maldives as stipulated in Chapter 8 of the Constitution.
- (b) The Act shall be cited, the “Act on Decentralization of the Administrative Divisions of the Maldives”.

2. Objectives of Decentralized Administration

The main objectives of decentralizing the Administrative Divisions of the Maldives is to allow the island communities to make their own decisions in a democratic and accountable manner; to improve people’s living standards through social, economic and cultural development; to empower the people; to an increased scope bring the services closer to the people; and to create an environment conducive for peace and prosperity.

CHAPTER 2

ADMINISTRATIVE DIVISIONS OF THE MALDIVES

3. Creation of Administrative Divisions

- (a) In order to provide for decentralized administration, except to the administrative divisions eligible to be a City Council having fulfilled the prerequisites stipulated in Schedule 2 of this Act, to the 21 administrative divisions of the Maldives specified in Schedule 2 of the Constitution of the Maldives, the President shall create an atoll council to govern each of the administrative divisions, and an island council in every inhabited island within each of these administrative divisions.
- (b) As stipulated in Schedule 2 of the Constitution of the Maldives, the President shall create a City Council in every administrative division that fulfills pre-requisites to become a City Council.
- (c) In order to implement an economic, social, administrative or any other policy, or under an objective of any of these policies, any of administrative divisions of the Maldives shall be conjoined or merged or shall be imposed to work together or partnered under a legislation passed by the People's Majilis.
- (d) Island Council shall be accountable and report to the Atoll Council of that administrative division. Atoll Councils shall be accountable to the local Government Authority.
- (e) Despite the provisions of article (d), every Council shall be accountable to the people of respective island or administrative division.

4. Administrative Divisions of the Maldives

For the purpose of Decentralization of the Administrative Divisions of the Maldives in accordance

with Article 3 of this Act, Administrative Divisions are divided into Atoll divisions and Male' division.

Atoll Divisions

- a) (1) Thiladhunmathi Uthuruburi (HA. Atoll)
- (2) Thiladhunmathi Dhekunuburi (HDh. Atoll)
- (3) Miladhunmadulu Uthuruburi (Sh. Atoll)
- (4) Miladhunmadulu Dhekunuburi (N. Atoll)
- (5) Maalhosmadulu Uthuruburi (R. Atoll)
- (6) Maalhosmadulu Dhekunuburi (B. Atoll)
- (7) Faadhippolhu (Lh. Atoll)
- (8) Male' Atoll (K. Atoll)
- (9) Ari Atoll Uthuruburi (AA. Atoll)
- (10) Ari Atoll Dhekunuburi (ADh. Atoll)
- (11) Felidhe Atoll (V. Atoll)
- (12) Mulakatoll (M. Atoll)
- (13) Nilandhe Atholhu Uthuruburi (F. Atoll)
- (14) Nilandhe Atholhu Dhekunuburi (Dh. Atoll)
- (15) Kolhumadulu (Th. Atoll)
- (16) Hadhdhunmathi (L. Atoll)
- (17) Huvadhu Atholhu Uthuruburi (GA. Atoll)
- (18) Huvadhu Atholhu Dhekunuburi (GDh. Atoll)
- (19) Fuvahmulah (Gn. Atoll)
- (20) Addu Atoll (S. Atoll)

Male' Division

- b) Male' the capital of Maldives included as an administrative division in schedule 2 of the Constitution is comprised of Male', Villingili and Hulhumale'.

5. Declaring the Central
Island of Each Atoll

- (a) A Central Island for atoll shall be declared as stipulated under (a) of Article 4 of this Act.
- (b) For the purpose of this Act, the Central Island of administrative divisions shall be the capital islands of the respective atolls at the time when the Constitution of the Maldives was promulgated on 7th August 2008. Or unless otherwise an island determined as the Central Island of that atoll by a Law.

CHAPTER 3

ATOLL COUNCIL

6. Atoll Council

- (a) The administrative divisions created under (a) of Article 4 of this Act shall be governed; as prescribed by this Act by an atoll council elected for the purpose.
- (b) The prescribed atoll council in (a) of this article shall be in-charge of the respective division.

7. Legal Personality

The atoll council elected and established under Article 7 of this Act shall be an independent legal entity with a separate seal, possessing powers to sue and be sued, and to make undertakings in its own capacity.

8. Powers and Responsibilities of the Atoll Council

The following stipulates the powers and responsibilities of the Atoll Council:

- a) Govern the administrative division and work for the development of that division in accordance with the Constitution of the Republic of the Maldives and the Laws;
- b) With community participation, provide guidance and support in planning island development plans and provide community recommendations to all relevant stakeholders in planning development programmes for the respective administrative division as a whole;
- c) Coordinate the activities of the island councils and monitor the functioning of the councils;

- d) In order to discharge the powers and responsibilities conferred to the atoll councils by this Act; formulate plans and prepare budgets to undertake affairs covered under the jurisdiction of that council; monitor and evaluate development programmes managed by island councils; formulate necessary policies at the level of administrative division and take all necessary actions to implement those policies and formulate relevant regulations for this purpose;
- e) Execute functions as stipulated by this Act, on behalf of the inhabitant of that administrative division;
- f) Manage resources and finances of the people of the administrative divisions of the province;
- g) In accordance with the land Act and other laws; acquire, own, invest in, lease out or give to other parties, land, reefs and lagoons for economic and social purposes and own such investments in the name of the Council;
- h) For economic or social purposes, acquire and own movable and immovable assets and to give or lease such assets maintained by the council, to other parties;
- i) Seek loans from financial institutions, within the limits stipulated in this Act, to fund development activities and to submit council assets as loan securities and create funds for other undertakings;
- j) Within the limits stipulated in this Act, create financial securities such as municipal bonds, bills and municipal securities and sell such financial securities in the Stock Market, to fund development activities;
- k) Enter into contracts and business ventures with various parties in order to provide the services mandated to the council at the level of administrative division;
- l) Foster the growth of tourism, fisheries, agriculture and other industries in the respective administrative division, in accordance with legislations of the Maldives;

- m) Determine and collect fees for services provided by the atoll council and services provided through the council;
- n) Submit reports to relevant authorities as stipulated in this Act;
- o) When council members are replaced or if the name of the council is changed, take responsibility for the work undertaken by the previous council;
- p) Use the council's seal after registering at the relevant Government authority;
- q) Administer the council office;
- r) Perform other tasks as prescribed by a Law;
- s) Monitor performance of the Island Councils in due discharging their responsibilities.

9. Services Rendered by the Atoll Councils

The atoll council shall provide the following services to the people of the islands within the administrative divisions in accordance with the powers and responsibilities stipulated in Article 8 of this Act. The government shall make financial and other facilities available within a reasonable time frame required to provide the services identified:

- (a) Provide the services that have to be rendered to more than one island in the administrative division, and undertake tasks that have been mandated to the council under various statutes;
- (b) Among the various public services rendered by the Government ministries and offices, provide those services that are required to be delivered in the administrative division through the atoll councils;

- (c) Provide assistance and cooperation required by the state institutions and Government offices established in the administrative division;
- (d) Establish and maintain a registration of islands and their lands fall within the administrative division and provide the information required by national land registration authority;
- (e) Assist island councils in seeking technical and financial assistance;
- (f) Provide consultancies required to the island councils;
- (g) Administer and implement projects in the Development Plan of Administrative Division that have not been assigned to a particular island council;
- (h) Provide other services which are assigned to the councils, by a Law.

10. Working for the Benefit of the Whole Administrative Division

The council shall exercise the powers and responsibilities vested in the council under Article 8 of this Act for the benefit of the whole administrative division.

11. The Composition of Atoll Council

- (a) The atoll council comprises of elected members from the electoral constituencies within the administrative divisions.
- (b) Under (a) of this Article, when members of the atoll councils are elected, two (2) members shall be elected when there are more than two (2) constituencies within an administrative division and three (3) members shall be elected when there are two (2) constituencies within an administrative division.

12. The Tenure of Office the
Atoll Council

The term of office of the atoll council shall be three (3) years from the date of the election of the council. A new council shall be elected thirty (30) days prior to the end of the term of the council.

13. The Oath of the
Atoll Council

Elected members of the council shall assume office after taking the oath provided in Schedule 1 of this Act, before a judge.

14. An Employee of the Civil Service
Standing for the Councils
of Administrative Division

Any employee of Civil Service may stand for the positions prescribed in (a) of article 1 of this Act. However, must resign from the Civil Service job if the candidate is elected.

15. Qualifications of
Atoll Council
Members

- (a) Person who contests for the post of atoll council member shall have the following qualifications:
- (1) Must be a citizen of the Maldives;
 - (2) Must not be a citizen of a foreign country;
 - (3) Must be a Muslim and a follower of a Sunni School of Islam;
 - (4) Must have attained the age of eighteen (18);
 - (5) Must be of a sound mind;
 - (6) Must not be full time student.
- (b) A person who has acquired Maldivian Citizenship is qualified to be a member of the

atoll council five (5) years after the acquisition of citizenship and is domiciled in the Maldives.

(c) A person with the following attributions shall be disqualified from the elections as a member of the atoll councils:

(1) Has a decreed debt which is not being paid as provided in the judgement;

(2) Has been serving a sentence of a convicted criminal offence;

(3) Has been convicted of any criminal offence other than the ones prescribed in the article (4) and (5) and sentenced to a term of more than twelve months (12), unless a period of three years has elapsed since his release, or pardon for the offence for which he was sentenced;

(4) Must not be a person convicted of corruption, fraud, bribery, drug abuse, drug dealing or any offence punishable by *Hadd* as per Islamic Shari'ah;

(5) Must not be person convicted of child molestation and rape;

(6) Must not be a full time student of any school or learning institution.

16. Vacancy of a Post of Council Member

During the tenure of a council, if a member vacates a position, the position should be filled within forty five (45) days by electing another member. A member elected in a bi-election could only remain in the post until the end of the tenure of that council.

17. Presidency of the Atoll Council

The President and the Vice President of the atoll council shall be elected in a secret ballot held amongst the elected members of the council.

18. Responsibilities of the Atoll Council President

Following are the duties of the President of the atoll council:

- (a) Conduct regular meetings of the Atoll Council and preside over these meetings;
- (b) Mobilise the council as per the council's objective;
- (c) Monitor to ensure that the activities of the atoll council are in line with the objectives of the council;
- (d) Foster and maintain amicable relations and goodwill among the members of the atoll council;
- (e) Establish and maintain friendly relations and cooperation between the council, and state institutions, Government authorities, associations, and groups;
- (f) Communicate the decisions of the atoll council to island councils;
- (g) Perform other tasks assigned by the atoll council.

19. Responsibilities of the Vice President of the Atoll Council

Following are the duties of the Vice President of the atoll council:

- (a) Assist the President of the council in performing council's work.
- (b) Act upon temporarily in performing the responsibilities of the President of the atoll council, during such times as when the President of the atoll council or is incapacitated or is excused or if the post is vacant. In addition, undertake tasks assigned by the President of the Atoll Council.

20. Responsibilities of the Atoll Council Members

It is the duty of the members of the atoll council to work towards achieving the objectives of the council. Any work assigned to an atoll council member by the atoll council shall be carried out as per the principles set by the atoll council.

CHAPTER 4

ISLAND COUNCIL

21. Island Council

Every inhabited island in the Maldives, except islands where City councils are being established under this Act, shall be governed by an island council elected under this Act.

22. Legal Personality

The island council elected and established under Article 21 of this Act, shall be an independent legal entity with a separate seal, possessing power to sue and be sued, and to make undertakings in its own capacity.

23. Powers and Responsibilities
of the Island Council

Following are the powers and responsibilities of the island council:

- (a) Administer and develop the island in accordance with the Constitution and statutes and provide municipal services as prescribed in this Act;
- (b) Prepare island development plans in consultation with the community, and submit the plan to the atoll council;
- (c) In accordance with this Act, implement development projects planned and assigned by the government in line with the island development plans formulated by islands and submitted to the atoll councils;
- (d) Assist Government ministries and atoll councils in monitoring the progress of various development projects, and be accountable to the atoll council during project implementation and submit reports according to the requirements of the ministries and atoll Council;
- (e) Formulate island level policies necessary to discharge the powers and responsibilities conferred to the island council by this Act, and formulate and implement required regulations for the purpose;
- (f) On behalf of the people of the island, make decisions that are deemed necessary to discharge the powers and responsibilities conferred to the island council by this Act;
- (g) Manage public resources and funds of the island;
- (h) In accordance with the Land Law of the Maldives and other statutes, for economic or social use, the council acquire land, reefs and lagoons and own in the name of the council and lease out these

properties and invest in and own the investments in the name of the council;

- (i) Lease out and give lagoons and land for different purposes as mandated by national authority for land management in accordance with the Land Law and as per the island's Land Use Plan;
- (j) For economic or social use, obtain and own movable and immovable assets and lease or give such assets maintained by the council to other parties as per regulations formulated under this Act;
- (k) Within the limits stipulated by this Act, seek loans from financial institutions to fund development activities and submit financial rights, interests and assets to the loan provider as security and create funds for other undertakings;
- (l) When the council members are replaced or if the name of the council is changed, take responsibility for the work undertaken by the previous council;
- (m) In accordance with the regulations formulated under this Act, determine and collect fees for the services provided or facilitated by the council;
- (n) In the event that a person's land and private property have to be acquired in the interest of the public, acquire such effects after giving a fair and just compensation to the owner in accordance with the Law;
- (o) Name and alter the names of vehicles and vessels operated by the council, and public places of the island such as roads, parks and places from where the council renders its services;
- (p) Open or close temporarily or permanently, roads parks or public squares of the islands;
- (q) Provide the assistance and support needed by the state institutions and Government authorities established in the island;

- (r) Submit the reports stated in this Act, to the relevant authorities;
- (s) Use the council's seal after registration at the ~~at the~~ relevant Government authority;
- (t) In accordance with the statutes of the Maldives, make productive use of the reefs, lagoons and other natural resources of the island;
- (u) Take all necessary measures to establish a safe and peaceful environment in the island in collaboration with the police;
- (v) In matters which fall within the council's jurisdiction, or if any person in the council's area is suspected of having committed an act against the Law, request for police assistance in investigating the matter;
- (w) Administer the office of the island council;
- (x) Undertake other activities prescribed by a Law.

24. Services Rendered by the Island Council

The island council shall provide the following municipal services to the people of the island in which the council was constituted; in accordance with the powers and responsibilities stated in Article 23 of this Act:

- (a) Build and maintain roads of the island;
- (b) Dispose waste in a reasonably safe manner at the island level as it does not create any inconvenience to the community;
- (c) Maintain the jetty of the island, build and maintain wharf, and operate the ferry terminal of the island;

- (d) In accordance with the Law of the Maldives, take necessary measures to alleviate the land erosion problem and maintain the jetty and the breakwater of the island;
- (e) In accordance with the law of the Maldives, provide and maintain public facilities such as water, electricity, and sewage system;
- (f) In accordance with the Law of the Maldives, provide primary health care and other basic health security services;
- (g) In accordance with the Law of the Maldives, provide preschool education and organize and conduct educational and vocational programs to train adults;
- (h) Administer the island library, archive official documents, preserve old and historical documents of the island in the library and with the help of modern facilities, provide access to information;
- (i) Maintain social centres, play grounds or sports fields and provide sporting facilities, public parks and entertainment services;
- (j) In accordance with the Law of the Maldives, run a centre to provide social security services, take measures to stop domestic violence and provide the victims of such violence with security and assistance and put in place a system to help senior citizens and people with special needs;
- (k) In accordance with the Land Law of the Maldives and in a manner which does not contravene the island's Land Use Plan, allocate land and register land and buildings, and monitor if all building work undertaken is in accordance with the building regulations of the Maldives and other regulations by relevant Government ministries, and in accordance with the Land Laws and other such Laws of the

Maldives, keep record of all dealings undertaken by parties in regards to matters of land;

- (l) Maintain a land registry of the island and provide information required for the national land registration authority;
- (m) Maintain mosques;
- (n) Maintain cemeteries, establish burial service mechanism and organize for burial services;
- (o) Maintain historical places and promote and revive culture;
- (p) Commemorate religious and national days of importance and hold religious and national functions;
- (q) Organise to sweep and clean the roads, maintain cleanliness of the island and its beauty;
- (r) Provide the island with adequate lighting at night;
- (s) Pest controlling;
- (t) Establish a mechanism that provides assistance in an event of emergency;
- (u) Monitor and check if shops, tea boutiques, restaurants, café's, guest houses and public markets comply with standards, rules and regulations set by the law of the Maldives and take corrective measures;
- (v) Organize and manage for pedestrians, motor vehicles and non motor vehicles to use the roads as according to the standards set by the statutes of the Maldives, and organize and manage public land and sea transport services which levy a fee to operate in compliance with the standards set by the relevant Government authority;

- (w) Assist the Courts of Law and Government authorities to execute the sentences passed by the Courts of Law.
- (x) Issuing and cancellation of permits and registries; that Government ministries provide through the island councils, and on matters that fall within the jurisdiction of the island council, and on matters that have been assigned to the island council under various laws;
- (y) **Manage the birth and death registry of the island**, and gather and maintain the statistical records of the island, maintain a registry of citizen and non-citizen of the island, and maintain a registry of foreigners living on the island;
- (z) Provide other services that are prescribed by Laws.

25. Composition of the Island Council

- (a) Island councils of the administrative divisions stipulated in the Constitution will comprise of **elected members from that particular island**. Five members shall be elected to the island councils of those islands with a population of less than three thousand (3000). Seven members shall be elected to the island councils of those islands with a population between three thousand (3000) and ten thousand (10000). Nine members shall be elected to the island councils of those islands with a population of more than ten thousand (10000).
- (b) Despite the provisions of the (a) of this article; of those administrative divisions stipulated in article 4 (a) of this Act, Gn. Fuvahmulah is an administrative division with a naturally consolidated eight (8) wards; whilst every ward is considered as a separate administrative island, the wards are also considered as separate islands for the purpose of determining the electoral constituencies for the Peoples' Majlis, therefore, for the purpose of this article, there shall be an island council for every ward comprising of three (3) members.

26. Island Council Elections

The Elections Commission shall elect members to the island council in accordance with this Act, the General Law on Elections, and the Law governing elections of Local Councils.

27. Presidency of the Island Council

The President and Vice President of the island council shall be elected by a secret ballot held among the elected members of the island council.

28. Qualifications of Island

Council Members

- (a) Person who contests for the post of island council member shall have the following qualifications:
 - (1) Must be a citizen of Maldives;
 - (2) Must not be a citizen of a foreign country;
 - (3) Must be a Muslim and a follower of a Sunni School of Islam;
 - (4) Must have attained the age of eighteen (18);
 - (5) Must be of a sound mind;
 - (6) Must not be a full time student.
- (b) A person who has acquired Maldivian Citizenship is qualified to be a member of the island council five (5) years after the acquisition of citizenship and is domiciled in the Maldives.
- (c) A person with the following attributions shall be disqualified from the elections as a member of the island councils:

- (1) Has a decreed debt which is not being paid as provided in the judgement;
- (2) Has been serving a sentence of a convicted criminal offence;
- (3) Has been convicted of any criminal offence other than the ones prescribed in the article (4) and (5), and sentenced to a term of more than twelve (12) months, unless a period of three (3) years has elapsed since his release, or pardon for the offence for which he was sentenced;
- (4) Must not be a person convicted of corruption, fraud, bribery, drug abuse, drug dealing or any offence punishable by a *Hadd* as per Islamic Shari'ah;
- (5) Must not be a person convicted of child molestation or rape;
- (6) Must not be a full time student of any school or learning institution.

29. Tenure of the Island Council

The tenure of the island council is three (3) years from the date of election. A new council shall be elected thirty (30) days prior to the end of the council's term.

30. Members Oath

Elected members of the council shall assume office after taking the oath provided in Schedule 1 of this Act, before a judge.

31. Vacancy of Post of a Council

Member

During the tenure of a Council, if a member vacates a post, the post should be filled within forty (45) days by

electing another member. A member elected in a bi-election could only remain in the post until the end of the term of that council.

32. Duties of the President of the Island Council

Following are the duties of the President of the island council:

- (a) Conduct council meetings and preside over these meetings;
- (b) Administer and direct the council towards achieving its objectives;
- (c) Publish and implement the decisions of the council through the Council's Administrative Office;
- (d) Oversee the compilation of the council reports and ensure that the reports are submitted on time to the relevant authorities;
- (e) Foster and maintain good relations and cooperation between the council and Government authorities, associations and groups;
- (f) Monitor to see if the council's finances are managed by the Council's Administrative Office, according to the decisions made by the council;
- (g) Facilitate a mechanism to keep records of the Council's revenue and expenditures;
- (h) Perform other work assigned by the atoll council and the island council.

33. Duties of the Vice President
of the Island Council

Following are the duties of the Vice President of the island council:

- (a) Assist the President of the council in performing council's work;
- (b) Perform the duties of the President of the island council, during such times as when the President of the island council is incapacitated or is excused or if the post is vacant. In addition to this, undertake responsibilities assigned by the president of the council;
- (c) Perform other work assigned by the island council.

34. Duties of the Island Council
Members

It is the duty of the island council members to work towards achieving the objectives of the island council. Any work assigned to an island council member by the council should be carried out as per the procedures of the Island Council.

35. Women's Development Committee

- (a) There shall be a Women's Development Committee under every island council for the respective island. The number of members of this committee shall be based on the regulation formulated under this Act.
- (b) Members of the Women's Development Committee shall be elected through an election held amongst the women of that island.
- (c) President and Vice President of the committee shall be elected through a secret ballot held among the elected members of the committee of the respective island.

- (d) The regulation of the Women's Development Committee shall be formulated by the Local Government Authority.

36. Powers and Responsibilities of

Women's Development Committee

Following are the powers and responsibilities of the Women's Development Committee:

- (a) Advise island council on matters related to island development and municipal services provided by the council;
- (b) Own properties and conduct business activities with others in the name of the committee;
- (c) Sue and be sued in the name of the committee;
- (d) Conduct various activities for income generation and for the development of women;
- (e) Work to uphold the rights of women;
- (f) Work to increase religious awareness amongst the women;
- (g) Work to increase political participation of the women;
- (h) Work to increase the numbers of women enrolled in higher education;
- (i) Work to improve the health condition of the women;
- (j) Gather important information related to the women;
- (k) Manage assets and finance of the committee.

37. Tenure of the Committee

The tenure of the Women's Development Committee is three (3) years from the date of election.

38. Women's Development

Committees in the islands prior
to this Act is enacted

The rights, liabilities, assets and finances of Women's Development Committees existing in the islands prior to this Act is enacted shall transfer to the Women's Development Committees created under this Act.

CHAPTER 5

CITY COUNCIL

39. City Council

The President shall give city status to any island or area among the inhabited islands of the Maldives which fulfills the prerequisites specified in Schedule 2 of this Act and shall create a city council to administer the affairs of the island or the area. **The Elections Commission shall organise all arrangements to elect members to the city council** in accordance with this Act, the Law on General Elections and the Law on Local Council Elections.

40. Legal Personality

Any city council elected and established under this Act, shall be an independent legal entity with a separate seal, possessing power to sue and be sued, and to make undertakings in its own capacity.

41. Powers of the City Council

Following are the powers and responsibilities of the City Council:

- (a) Administer and develop the city and the wards of the city in accordance with the Constitution

and Laws and provide municipal services as stipulated in this Act;

- (b) Plan and implement development projects and formulate the budget, taking into account the City Development Plan that has been prepared by relevant Government ministry in consultation with the city council, based on the Ward Development Plan set up by ward boards of the city in consultation with the public and proposed to the city council;
- (c) In planning and carrying out developmental projects, provide public opinions and suggestions to the Government Ministries, assist Government ministries in monitoring the work of the projects implemented at the council, be accountable to the ministries and submit reports as per the guidelines set by those ministries;
- (d) Coordinate the activities carried out by the ward offices and monitor the administration of the ward offices;
- (e) Formulate the policies necessary to discharge the powers and responsibilities conferred to the city council by this Act, and formulate and implement regulations that are required to discharge the duties of the city council;
- (f) On behalf of the people of the city, make decisions that are deemed necessary to discharge the powers and responsibilities conferred to the city council by this Act;
- (g) In accordance with the Law of the Maldives; acquire, own, lease, give and invest in land, reefs and lagoons for economic and social use and own such investments in the name of the council;
- (h) For economic or social purposes, obtain and own movable and immovable assets and lease or

give such assets maintained by the council to other parties, in the name of the council;

- (i) Within the limits set by the Law, seek loans from financial institutions to fund development activities and submit financial rights, interests and assets to the loan provider as security and create funds for other undertakings;
- (j) Within the limits set by this Act, secure financial securities such as municipal bonds, bills, and municipal securities and trade such securities at the stock exchange, in order to fund development activities;
- (k) In accordance with the policies and rules of relevant Government ministries, enter into contracts and business ventures with various parties to provide basic services such as electricity, water and sewerage systems and to carry out other development activities;
- (l) When the council members are replaced or if the name of the council is changed, the council shall take responsibility for the work undertaken by the previous council;
- (m) In accordance with the regulations formulated under this Act, determine and collect fees for the services provided by the city council and for the services of the city council that are provided through the ward offices;
- (n) In the event that a person's land and private property have to be acquired in the interest of the public, acquire such effects after giving a fair and just compensation to the owner in accordance with the Law;
- (o) Name and alter the names of vehicles and vessels operated by the council, and public places such as roads, parks and places from where the council renders its services;

- (p) Open or close temporarily or permanently roads, parks or public squares within the city and wards of the city;
- (q) Submit reports to relevant authorities as stipulated in this Act;
- (r) In consultation with relevant Government ministries and the ward offices, draw a Land Use Plan for the city, its wards, and islands in the city council area;
- (s) Sue and be sued in the name of the council;
- (t) In cooperation with the police, take all necessary measures to establish a safe and peaceful environment in the city;
- (u) In matters which fall within the council's jurisdiction, or if any person in the council's area is suspected of having committed an act against the Law, request for police assistance in investigating the matter;
- (v) Use the council's seal after registering at the relevant Government Authority;
- (w) Administer the office of the city council;
- (x) Undertake other activities prescribed by a law.

42. Services Rendered by the
City Council

The city council shall provide the following services in the city and the wards of the city:

- (a) Build and maintain roads;
- (b) Disposal of waste in a reasonably safe manner;

- (c) Maintain the jetty and wharf and build and run the ferry terminal of the island;
- (d) In accordance with the Law of the Maldives, take necessary measures to alleviate the land erosion problems and maintain the jetty and the breakwater of the island;
- (e) In accordance with the legislations of the Maldives, provide and maintain basic public services such as water, electricity, and sewage systems;
- (f) In accordance with the legislations of the Maldives, provide primary health care and other basic health security services;
- (g) In accordance with the legislations of the Maldives, provide preschool education and organize and conduct educational and vocational programs to train adults;
- (h) Run public library services and with the help of latest facilities provide for an increased access to information from the library;
- (i) Maintain social centres, play grounds or sports field and provide sporting facilities, public parks and entertainment services;
- (j) In accordance with the Laws of the Maldives, run a social centre to provide social security services, take measures to stop domestic violence and provide the victims of such violence with security and assistance and put in place a system to help senior citizens and people with special needs;
- (k) In accordance with the Land Law of the Maldives and in a manner which does not contravene the island's Land Use Plan, allocate land and register land and buildings, and monitor if all building work undertaken is in accordance with the building regulations of the

Maldives and other regulations by relevant Government ministries, and in accordance with the Land Laws and other such Laws of the Maldives, keep records of all dealings undertaken by parties in regards to matters of land;

- (l) Create and maintain a registry for land covered within the city and provide information required for the national land registration authority;
- (m) Maintain Mosques;
- (n) Maintain cemeteries and organize for burial services;
- (o) Maintain historical places and promote and revive culture;
- (p) Commemorate religious and national days of importance and hold religious and national functions;
- (q) Organise to sweep and clean the roads, maintain cleanliness of the island and its beauty;
- (r) Arrange a mechanism to clean rainwater channels on roads;
- (s) Maintain street lighting;
- (t) Pest controlling;
- (u) Establish a mechanism to help the public in the event of an emergency or incidences;
- (v) Monitor and check if shops, tea boutiques, restaurants, cafés, guest houses and public markets comply with the legislation of the Maldives and take corrective measures;
- (w) Organize and manage for pedestrians, motor vehicles and non motor vehicles to use the roads as according to the laws of the Maldives,

organize and manage public land and sea transport services which levy a fee to operate in compliance with the standards set by the relevant Government authority;

- (x) Assist the Courts of Law and Government authorities to execute the sentences passed by the Courts of Law;
- (y) Issuing and cancellation of permits and registries; that Government ministries provide through the city councils, and on matters that fall within the jurisdiction of the city council, and on matters that have been assigned to the city council under various laws;
- (z) **Manage the birth and death registry and gather** and maintain the statistical records as per the request of the relevant Government ministry, maintain a registry of citizen and non-citizen of the city and maintain a registry of foreigners living in that city;
- (aa) Provide other services which are assigned to the city councils by Laws.

43. Composition of the City Council

The city council shall comprise of members including an elected member from every electoral constituency of that city.

44. Qualifications of City

Council Members

- (a) Any person wishing to contest for the post of city council member shall have the following qualifications:
 - (1) Must be a citizen of the Maldives;
 - (2) Must not be a citizen of a foreign country;

- (3) Must be a Muslim and a follower of a Sunni School of Islam;
 - (4) Must have attained the age of eighteen (18);
 - (5) Must be of sound mind;
 - (6) Must not be a full time student;
- (b) A person who has acquired Maldivian Citizenship is qualified to be a member of the city council five (5) years after the acquisition of citizenship and is domiciled in the Maldives.
- (c) A person with the following attributions shall be disqualified from the elections as a member of the city councils:
- (1) Has a decreed debt which is not being paid as provided in the judgment;
 - (2) Has been serving a sentence of a convicted criminal offence;
 - (3) Has been convicted of any criminal offence other than the ones prescribed in the article (4) and (5) and sentenced to a term of more than twelve (12) months, unless a period of three (3) years has elapsed since his release, or pardon for the offence for which he was sentenced;
 - (4) Must not be a person convicted of corruption, fraud, bribery, drug abuse, drug dealing or any offence punishable by a *Hadd* as per Islamic Shari'ah;
 - (5) Must not be a person convicted of child molestation or rape;
 - (6) Must not be a full time student of any school or learning institution.

45. Presidency of the City Council

The President and the Vice President of the city council shall be elected by a secret ballot held among the elected members of the city council.

46. Tenure of the City Council

The tenure of the city council is three (3) years from the date of election. A new council shall be elected thirty (30) days prior to the end of the council's term.

47. Members Oath

Elected members of the council shall only assume office after taking the oath provided in Schedule 1 of this Act, before a judge.

48. Vacancy of Post of the Council

Member

During the tenure of a council, if a member vacates a position, the position should be filled within forty five (45) days by electing another member. A member elected in a bi-election could only remain in the post until the end of the tenure of that council.

49. Duties of the President of the
City Council

Following are the duties of the President of the city council:

- (a) Conduct council meetings and preside over these meetings;
- (b) Administer and direct the Council towards achieving its objectives;
- (c) Publish and implement the decisions of the council through the Council Administrative Office;

- (d) Oversee the compilation of the city council reports and ensure that the reports are submitted on time to the relevant authorities;
- (e) Foster and maintain good relations and cooperation between the council and Government authorities, associations and groups;
- (f) Monitor to see if the city council's finances are managed by the Council's Administrative Office, according to the decisions made by the council;
- (g) Facilitate a mechanism to keep records of the council's revenue and expenditures;
- (h) Perform other tasks assigned by the city council.

50. Duties of the Vice President of the City Council

Following are the duties of the Vice President of the city council:

- (a) Assist the President of the city council in performing council's work;
- (b) Perform temporarily the duties of the President of the city council, during such times as when the President of the city council is incapacitated or excused or if the post is vacant. In addition to this, undertake the responsibilities assigned to by the President of the Council;
- (c) Perform other work assigned by the City Council.

51. Duties of the City Council Members

It is the duty of the city council members to work towards achieving the objectives of the council. And any work assigned to a city council member by the

council shall be carried out as per the rules set by the city council.

52. How to Address the City
Council President

The President of the city council shall be addressed as “Mayor”. The Vice President of the City Council shall be addressed as “Deputy Mayor”

53. Request for City Status
by an Island

If the council of an island, a ward, or the councils of a group of islands deem that a ward in an administrative division, or an island, or an administrative division, or a region comprising of a group of islands meet the conditions for a city set forth in Schedule 2 of this Act, then the relevant council or councils have the right to determine that the ward, the island, or the region comprising of a group of islands as a city and propose to the Local Government Authority in requesting to administer as a city.

54. Declaring a City

Once a request submitted as per Article 53 of this Act has been reviewed and found having met the conditions set forth in Schedule 2 of this Act, then the request shall be approved and the ward, or island, or region shall be declared as a city by the President.

55. Creating the Ward Office

The City Council has the authority to administer a number of wards in a city through a separate ward office. The City Council will decide on the composition of the ward offices and their functions.

56. Male' City Council

A city council as stated in this Chapter shall be elected to administer Male', the capital of Maldives included as a separate administrative division in Schedule 2 of the Constitution.

57. Women's Development
Committee

- (a) There shall be a Women's Development Committee under every City council for that City. The number of members of this committee shall be based on the regulation formulated under this Act.
- (b) Members of the Women's Development Committee shall be elected through an election held amongst the women of that city.
- (c) President and Vice President of the committee shall be elected through a secret ballot held among the elected members of the committee.
- (d) The operational regulation of the Women's Development Committee shall be formulated by the Local government authority.

58. Powers and Responsibilities of
Women's Development Committee

Following are the powers and responsibilities of the Women's Development Committee elected under article 57 of this Act:

- (a) Advise city council on matters relating to development of the city and services provided by the council;
- (b) Own properties and conduct business undertakings in the name of the committee;
- (c) Sue and be sued in the name of the council;
- (d) Conduct various activities for income generation and for the development of women;

- (e) Work for the rights of women;
- (f) Work to increase religious awareness amongst women;
- (g) Work to increase political participation of women;
- (h) Work to increase the numbers of women enrolled in higher education;
- (i) Work to improve the health standard of women;
- (j) Gather important information related to women;
- (k) Manage assets and finances of the committee.

59. Tenure of the Committee

The tenure of the Women's Development Committee is three (3) years from the date of election.

CHAPTER 6

LOCAL GOVERNMENT AUTHORITY

60. Local Government Authority

As prescribed by this Act, the President shall create a national institution under the name of Local Government Authority to monitor the work and activities and coordinate the work of the councils created under this Act.

61. Powers and Responsibilities

of the Local Government Authority

Following are the powers and responsibilities of the Local Government Authority:

- (a) Monitor to ensure that the work and activities of the councils created under this Act is functioning in accordance with the Constitution, this Act, and other Laws;
- (b) Coordinate the work of the councils at national level;
- (c) Perform all other work mandated to the Local Government Authority under this Act;
- (d) Monitor and work towards maintaining similar standards for the type of work, activities, and regulations formulated by the different councils;
- (e) Formulate operational regulations of the Authority;
- (f) Local government authority shall determine the areas fall in the jurisdiction of every atoll council, island council and city council created under this Act and arrange a mechanism to demark the boundaries of the area within first year of enactment of this Act. And shall publish the determined areas in the gazette;
- (g) In order to manage the Maldives in a decentralised manner, identify training needs to increase technical capacity and organise to conduct the trainings.

62. Composition of the Local Government Authority

Local Government Authority will function under a Local Government Board which shall be created under this Act. The members of Local Government Authority Board will comprise of:

- (a) An appointed minister by the president in order to make accountable to the Parliament as prescribed in Article 140 of the Constitution;
- (b) An appointed member from the City Council of Male', the capital of Maldives, from the administrative divisions included in schedule 2 of the Constitution;
- (c) Four (4) members elected among the members of the councils from the Atoll Councils of administrative divisions stipulated in schedule 2 of the Constitution;
- (d) An appointed member from civil society by the Parliament;
- (e) An appointed member from public by the Parliament;
- (f) An elected member among the members of the City Councils created under Article 39 of this Act.

63. The President and Vice President of the

Local Government Authority

The President and Vice President of the Local Government Authority shall be elected by a secret ballot held among the members of the Authority.

64. Office of the Local Government

Authority

The Authority Board has the power to create the Administrative Office of the Authority in order to assist in carrying out the responsibilities and administrative work of the Authority, and the appointment and dismissal of the employees of the Authority.

65. Failure to Carry Out the

Responsibilities of the Council

If any council fails to perform its duties and responsibilities in a satisfactory manner, the Local Government Authority has the power to review and

assess the situation in order to determine the reasons for the failure.

66. Dissolving the Council

- (a) In the event of any of the following situations, the Local Government Authority has the power to file the case to the High Court of the Maldives to dissolve the council.
 - (1) Repeated failure to perform the duties of the council.
 - (2) Misusing of the council's facilities.
 - (3) Repeated failure of the council to reach a consensus in making decisions, or the repeated loss of the council quorum consequently leading to the consecutive cancellation of the council meetings and the inability to carryout council duties.
- (b) As provided for in (a) of this Article, the Court should make a ruling to dissolve a council only if the court is of the absolute belief that dissolving the council is the only option;
- (c) If the Court dissolves a council as provided for in (b) of this Article, members should be elected to the new council within 45 (forty five) days from the date the council was dissolved. The Local Government Authority will appoint temporary persons to administer the council until a new election is held and members are elected to the council.

CHAPTER 7

RELATIONSHIP BETWEEN NATIONAL AUTHORITIES AND COUNCILS

67. Services Provided in the Administrative

Divisions by Government Ministries

Services provided in the administrative divisions by Government Ministries and offices under the Ministries, and the development activities carried out in the administrative divisions by the Government Ministries and offices under the Ministries shall be organized and coordinated under the supervision of the Atoll Councils.

68. Projects Carried Out in the

Administrative Divisions by the Ministries

Prior to launching a project in an administrative division by the atoll council or any Government Ministry or offices under the Ministries, or from a Government partnership company, and a civil society or association, discussions must be held with the relevant councils. All the relevant institutions in the island and the administrative division shall be given the opportunity to participate in these discussions.

69. Conducting an Environment Impact

Assessment before Starting Projects in the Administrative Divisions by the Government Ministries

If an Environment Impact Assessment Report has to be prepared in relation to an activity to be undertaken in an administrative division by a Government Ministry or a Government partnership company, or a civil society or association, the report shall be submitted to the atoll council of that administrative division before securing the permit to implement the project. Based on the

information in the report, possible impact on to the environment shall be shared with the atoll council by the Authority. And information on the precautions set forth to minimize the risk to the environment shall also be shared with the councils.

70. Relationship between the
Councils and the Police

While carrying out the official duties of the Police in the administrative divisions and the islands, if any assistance is requested by them, the councils shall collaborate with the Police to the best of their ability. And in the event that atoll councils or island councils request for Police assistance in carrying out their duties, the Police shall collaborate with them and provide them with support.

71. Service by the National Authorities

(a) National Authorities shall facilitate to provide its services to all the administrative divisions. Atoll councils, city councils and island councils shall provide cooperation and assistance required by the national authorities to carry out its duties in the administrative divisions.

(b) In arranging the services provided by national authorities in the administrative divisions, the national authorities can act in any of the following ways:

(1) Establish an office of the national authority in the administrative division;

(2) Under an agreement between the national authority and the atoll council, the services shall provided by a staff or a number of staff of the national authority in an atoll council building;

- (3) Under an agreement between the national authority and the atoll council or the national authority and the island council, facilitate to provide the services of the national authority, through the atoll council or the island council, from the administrative division or directly from the island;
- (4) Provide the service in the atoll council office under the supervision of the atoll council.

72. Government Aid to the Councils

During State of Emergencies

In addition to what is stated in this Act as aid that shall be provided by the Government to the Councils, in times of a disaster, a state of emergency, famine or an epidemic the relevant Government authorities shall provide financial, technical or any other assistance required to the council.

CHAPTER 8

BUSINESS VENTURES OF THE COUNCILS

73. Business Dealings of the Council

The councils have the authority to engage in economic activities to cater to the basic needs of the population within the council's area. In this regard, should the amount of investment exceeds one third of the total estimated income for a given year, the council must share the information of that investment with the people of that council.

74. Increasing the Role of Private

Parties in Development Activities

The Council must endeavor to increase participation and the role of the private companies, NGOs and associations in planning and implementation of development activities.

75. Collaboration of Councils with

Other Parties

In order to provide basic services and to increase income earning opportunities, and to realise economic and social prosperity, the council may collaborate with private, companies, associations and corporative societies.

76. Providing Assistance to Private

Parties by the Councils

The Councils may provide financial, technical, and other assistance to private associations and groups to carry out the projects included in the Development Plans of the administrative divisions, island or city. Such assistance must only be provided in accordance with the rules and regulations passed and publicized by the council, based on the policies and standards of the Government to providing assistance to private associations.

77. Procurement by the Councils

And Entering into Contracts

- (a) The Council must, in procuring services, goods and materials through private associations, follow the rules and regulation on the management of public funds and resources laid down by the Government. In this regard, information about important transactions made under the said regulations must be informed to the

relevant Government authorities and published publicly.

- (b) The councils must, exercise greater transparency and openness when contracting a work to any party and adhere to the regulations laid down by relevant Government authorities on contracting work to various parties.

CHAPTER 9

ACQUIRING FEES, RENT, INCOME AND LOANS

78. Charging Fees and

Rent by the Councils

The councils have the power to charge a fee or rent in order to obtain funds for the services they provide. Such fees to be charged shall be determined in consultation with the people of the area and in accordance with the Laws of Maldives. The fees charged as such are:

- (a) Monthly fee charged for the provision of electricity;
- (b) Monthly fee charged for the provision of water and sewerage service;
- (c) Monthly fee charged for the provision of island level communications services;
- (d) Monthly fee charged for the collection and safe disposal of waste;
- (e) Annual fee charged for vehicles and vessels registered in the island;
- (f) Fee charged for issuing license for operating vehicles and vessels;

- (g) Annual fee charged on the production and sale of goods, businesses, shops, and market stalls within the area of the council;
- (h) Fees charged for diving in designated diving areas;
- (i) Rent charged for land, reef and lagoons given on lease (the council does not retain the power to charge a rent on land allocated by the Government for national and social use);
- (j) Rent charged for uninhabited islands, sandbanks, submerged shoals (*Haa*), and shallow reefs (*Giri*) under the council administration;
- (k) Rent charged for such places as communal agricultural plots (*Goifaalabba and Hinna*);
- (l) Rent charged for the buildings and assets of the council;
- (m) Rent charged for the designated landing area and platform for seaplanes;
- (n) Harbor fee (*anchoring, loading and unloading goods.*)

79. Revenue from the Sale of
Assets of the People

Money earned from the sale of public assets that are managed by the Council, will be considered as revenue of the council.

80. Setting up Facilities to Generate
Revenue

The councils have the discretion to set up various facilities to generate revenue, in a manner which does not contravene the Laws of the Maldives.

81. Allocation of Funds for Councils

from the Earnings of State Facilities.

The revenues generated from state facilities set up or facilitated by national authorities in the city area or the administrative division, without the council's participation, shall be allocated equally to respective atoll or city council. The Finance Ministry will decide on the amount to be allocated to the council for the following year.

82. Financial Grant from the Government

to the Councils (General Grants)

Every year the island councils, city councils, and atoll councils shall be allocated funds from the state reserves for office administration, provision of services and development projects. These funds shall be allocated based on the following and release the funds once the budget is passed:

- (a) The Population;
- (b) The used area of land, harbor, and lagoon of the Island;
- (c) Number of Inhabited Islands in the administrative division;
- (d) The expenditures of the services provided and development projects managed by the council;
- (e) Distance between the central island of the administrative division, islands where the services and facilities are based, and the other islands of the administrative division;
- (f) Amount of revenue generated in the council;
- (g) In pursuing economic and social rights of every citizen of the Maldives prescribed in the Article 23 of the Constitution and in realizing development to

the people in an equal manner, necessary development opportunity to every island, city, and administrative division shall be provided.

83. Discretion to Seek Loans
by the Councils

The councils have the discretion to seek loans from banks established in the Maldives and other financial institutions to implement projects prescribed in the development plans. The loan repayment money must be included in the council's estimated budget for the following year.

84. Seeking Loans for the Councils from
International Financial Institutions

To achieve the objectives of development plans, an International Financial Institution or an Overseas Bank may provide loans to the council through the Government.

85. One Council Providing Loans
to Another Council

A council may lend its annual revenue surplus as a loan to another council, on mutually agreed terms. Information on such transactions shall be communicated to the Local Government Authority. If the borrowing council fails to repay the loan money to the lending council, the Government may deduct such amounts from the borrowing Council's financial grants to award the money to the lending council.

86. Build Facilities and Places on a Commercial basis
Using Private Fund

The council may enter into contracts with private parties on a tender basis, in order to build hotels, guest houses, jetties, roads, or harbours as prescribed in the development plans whereby the private parties build these facilities using contractor financing and run on a commercial basis for a specified term before handing it over to the council. Such infrastructures shall belong to the council. Information on such transactions shall be communicated to the Local Government Authority and to the relevant Government authorities.

CHAPTER 10

MANAGEMENT OF ACCOUNTS OF THE COUNCILS

87. Expenditures of the Council

Any expenditure of the council shall be made with the approval of the council.

88. Safeguarding the Capital and Assets of the Council

The revenues and assets of the councils shall be maintained in accordance with the Laws and regulations on managing public funds and assets of the Government.

89. Book-keeping of the Council

The President of the council is responsible for establishing a mechanism of book-keeping of the council.

90. Receipt of Money by Employees Of the Council

Unless otherwise specified by a Law, any money received by an employee of the council shall be considered as that of the council.

91. Money received for Funds

Established by the Council

Any donation received to a fund created by the council for a particular purpose with a specific condition, shall be used for another purpose only with the consent of the donor.

92. Financial Plan of the Island

and the Atoll

The island council and the atoll council shall, with the participation of the public, formulate and publicize a financial plan based on Island and Atoll Development Plans for a minimum period of five (5) years. Similarly, the city council shall, with the participation of the public, formulate and publicize a city council financial plan based on the wards and City Development Plans for a minimum period of five (5) years.

93. Preparation of the Budget

by the Councils

The island councils and the atoll councils shall prepare an estimated budget for the following year based on the Development Plan and the Financial Plan of the island and the administrative division. The city councils, specified in this Act, shall prepare an estimated budget for the following year based on the Development Plan and the Financial Plan of the city and the wards of the city.

94. Allocating Money as Reserve

The councils shall allocate an amount not less than five (5) percent of their annual income for the current financial year, as reserve. This money shall be used for expenses in the following years.

95. Acquiring Money from the

Government for the Council's Budget

- (a) Based on the estimated income and the forecast spending of the atoll council, the council shall approve and submit a budget for the following year, stating the amount of money that the atoll and the island councils need from the Government and submit it to the relevant Government authority in accordance with the State Finances Regulation on or before the specified deadline provided in the regulation. A copy of this submission shall be sent to the Local Government Authority.
- (b) Based on the estimated income and the forecast spending of the city council, the council shall approve and submit a budget for the following year stating the amount of money that the ward offices and the city council specified in this Act need from the Government and submit it to the relevant Government authority in accordance with the State Finances Regulation on or before the specified deadline provided in the regulation. A copy of this submission shall be sent to the Local Government Authority.

96. Passing the Budget of the

Council

The council shall approve the budget for the running year, on or before 15 January of that year, taking into account the council's income, and loans and grants available to the council. If due to any circumstance, the budget is not passed by the specified date of 15 January, the Council President has the power to decide on the recurrent expenditures of the council for the running year, provided that it does not exceed the council's recurrent budget of the previous year. Until the budget of the running year is passed the council shall not deliberate on any other matter.

97. Sections in the Councils
Annual Budget Statement

The council office shall prepare the estimated budget for the following year and submit it to the council. The budget statements prepared herewith shall include the following:

- (a) Estimated revenue and income of the council for the following year;
- (b) Revenue and income received the previous year;
- (c) Revenue and other finances received by the end of the month of June of the running year and revenue and other finances estimated to be received by the end of the same year;
- (d) Details on capital expenditure, recurrent expenditure, and expenditure on development projects of the previous year;
- (e) Details on capital expenditure, recurrent expenditure and expenditure on development projects at the end of the month of June of the running year, and details of the same expenditures expected for the rest of the year;
- (f) Capital expenditure, recurrent expenditure and debts of the council for the following year;
- (g) Details of loans acquired by the council, amount of payment to be made the following year to recover the loans, and estimated recovery date;
- (h) Details of loans proposed to be sought the following year;
- (i) Details of infrastructure, which have been leased by the council to private parties for a specific period, to be built using contractor finance and run on commercial basis, and which shall be returned to the council;

- (j) Expenditure of the council as prescribed by Law, and expenditures which arise from contractual obligations for the following years;
- (k) Funds allocated for losses incurred during natural disasters;
- (l) The amount allocated to be kept as reserve from the council's revenue.

98. Aiming for a Balanced or
Surplus Budget

When formulating the annual budget, council should take into account, revenue generated by the council and aim to achieve a balanced or surplus budget.

99. Supplementary Budget of the Council

The council must prepare and pass a supplementary budget for an emergency situation for which a budget item has not been included in the budget for the running year, and give justifications for the proposed incidental expenditure.

100. Person in Charge of Implementing
the Budget

The President of the council is in charge of implementing the approved budget.

101. The Government taking into account,
the Development Plans of the Island,
City and the Administrative Division

The government shall take into account the Development Plans of the islands, the cities and the

administrative divisions in preparing the National Development Plan and the Government budget.

102. Taking Responsibility for
the Council's Finances

The employee of the council's administrative office, who has been designated to manage the finances and accounts of the council, shall take responsibility for the council's accounts and finances. Such an employee can only be resigned from the employment upon hand-over of all the finances and accounting records to a person assigned by the council.

103. Depositing Money in Bank
Accounts

The councils shall expeditiously deposit their revenue and other finances, in a bank account opened in the council's name.

104. Depositing Unutilized Money
as Revenue

If funds from the approved budget remain unutilized by the end of the year, the money shall be deposited as income of the council. However, the amount required for goods and services procured before 31 December, or agreed to be procured before that date, shall be paid for and settled by 15 February of the following year.

105. Submission of Income and
Expenditure Reports of the Council

The President of the island council shall submit the annual financial report of income and expenditure of the council to the atoll council. And the atoll council shall submit the annual financial report stating the income and expenditure of the island and the atoll council to the

Local Government Authority and relevant Government offices. The President of the ward board shall submit the annual financial report of income and expenditure to the city council. The President of the city council shall submit the annual financial report of income and expenditure of the wards and the city councils to the Local Government Authority and relevant Government offices.

106. Power to Scrutinize the Council's

Accounts and Finances

The Local Government Authority, Ministry of Finance and the Auditor General have the authority to scrutinize the councils' accounts and finances. And if accounts and finances have to be scrutinized in relation to a reported case then the State Institutions investigating such matters have the power to scrutinize the accounts and finances of the council.

107. Attainment, Disposal, Grant

and Sale of Assets of the Councils

Any movable and immovable asset may only be attained, disposed and sold by the council in accordance with the rules and regulations of governing management of Government funds and assets. Assets of the council can only be disposed, sold or given away with the consent of two third majority of the council.

CHAPTER 11

SUBMISSION OF PLANS, REPORTS AND PROVISION OF INFORMATION

108. Documents that Shall be Prepared and Submitted by the Councils

The following documents shall be prepared as according to the prescribed rules and submitted by the island councils to the atoll councils and by the Male' ward offices to the city councils:

- (a) Detailed activity report of the councils for the first six (6) months of the year before the 10th of July that year;
- (b) Detailed activity report of the councils for the previous year before the 10th of January of every year;
- (c) Work plan and budget based on the development plan, before the end of July of every year;
- (d) Audit report of the council before 28 February of every year;
- (e) A five (5) year development plan, based on the National Development Plan, three (3) months prior to the expiration of the existing development plan;

109. Documents that Shall be Prepared and Submitted by the Councils

The following documents shall be submitted by the city councils and the atoll councils to the Local Government Authority in accordance with the rules:

- (a) Detailed activity report of the councils for the first six (6) months of the year before the 20th of July of every year;
- (b) Detailed activity report of the councils for the previous year before the 20th of January of every year;
- (c) Work plan and budget based on the development plan, before the end of August of every year;
- (d) Audit report of the Council before 10th of March of every year;
- (e) A five (5) year development plan, based on the National Development Plan, four (4) months prior to the expiration of the existing development plan.

110. Informing the Public

City councils and island councils shall hold a public meeting in February and July of every year. In the meeting held in February, the Annual Report, Financial Report and Audit Report of the previous year, shall be presented to the public. In the general meeting held in July, the council's work plan and budget for the following year shall be presented to the public and their opinion shall be sought. Seven (7) days prior to meeting the public, the reports, plans and information on the budget shall be made available to the public. In addition, the Council shall publicly disclose information on the implementation of the development plan, at least once in every two (2) months.

CHAPTER 12

GENERAL RULES ON THE ADMINISTRATION OF COUNCILS AND COUNCIL OFFICES

111. Operational Regulations of the Council

The councils retain the power to conduct council meetings and formulate procedural regulations in accordance with the Constitution and this Act.

112. Administering the Councils

Council members actively take part in the work of the councils. The council will designate the responsibilities for council members in administering the council.

113. Presiding over the Council

The President of the council will normally chair the council. In the absence of the President, Vice President will assume the chair. A general meeting of the council held in the absence of both its President and Vice President shall be chaired by a member of the council who secures more than half majority of the votes of council members as temporary chair of the council.

114. Quorum of the Council

A quorum of more than half of the total members of the council shall be present for any meeting of the council to be conducted. A majority of votes of the total members present and voted are required for the council to reach a decision.

115. General Meetings of the Council

The Council shall hold a weekly scheduled general meeting as stated below:

- (a) The Council President shall send the agenda of the meeting in writing to all council members two (2) days prior to the meeting;
- (b) In the general meetings, the council shall hold deliberations only on issues that Government offices, the council office or the council members themselves have submitted for discussion. Private parties can only submit issues to the council through the council office;
- (c) The Council President shall agenda these issues in their order of submission.

116. Urgent Meetings of the Council

An urgent meeting of the council may be held upon notification in writing of the date and purpose of the meeting, as follows:

- (a) At least two thirds majority of the members of the council request for an urgent meeting of the Council, or
- (b) The Local Government Authority requests for an urgent meeting of the council, or
- (c) The President of the council decides to conduct an urgent meeting of the council for a sound reason.

117. Invitation to Attend Council Meetings

The President of the council retains the power to invite parties to attend a council meeting if the party is required to provide information or consulted on an issue that has been included in the agenda. However, such a party shall not take part in a vote in the council meeting.

118. Disclosing the Decisions of the Council

The council shall make public disclosure of the, resolutions, orders and decisions that have been passed by the council. Orders, which are not disclosed to the public, will not be considered valid.

119. Relinquishing Membership of the Council

Council members may relinquish their membership as stated below:

- (a) The member may submit a letter of resignation addressed to the council;
- (b) Failure to attend seven (7) consecutive meetings without a valid reason. A valid reason would be a situation where the member or a person under the member's care is taken ill or any reason that is acceptable as valid by the council;
- (c) Lack of any attribution, which shall be required in a member under the provisions of this Act;
- (d) In the event of death or failure to discharge council duties due to a permanent disability;

120. Remuneration of Council Members

The Parliament shall decide on the remuneration and allowances of the members of the councils.

121. Dismissal of the President and Vice President of the Council From their Positions

The President or Vice President of the council shall submit their resignation if the majority of the council members vote in favour of a no confidence motion against them. Even though a member is dismissed from the position of

President or Vice President of the council, the member shall retain the membership of the council.

122. Council Members' Entitlement to Leave

Every member of the council is entitled to an annual leave of thirty (30) days, not including public holidays, in a manner which would not disrupt the functions of the council. The President of the council will approve the entitled leave to the council members, in a manner which would not disrupt the work of the council. The council will approve the leave of the council's President.

123. A Member of the Council Going out of the island

A council member must inform the council President in writing before the member goes out of the island. The council President must inform the council office before going out of the island.

124. Disclosing Information on Businesses and Income Earned by Members of the Council

Once a member is elected to the council, the member must submit in writing to the council office; information regarding his income, businesses, sources of income, and business relations.

125. Not Giving Preference to Self Interest Over the Interest of the Council

A member of council shall not, in making decisions of the council as a member, give preference to his own interest before that of the

island, the administrative division, or the city.

126. Conflict of Interest of the members

If the council is deliberating on an issue which has a member's vested interest or role in it, or which involves the spouse or children of the member, the member shall not participate in the meeting.

127. Establishment of the Councils' Office

The President shall establish offices for the councils elected under this Act; to assist them in discharging their duties and responsibilities and to carry out the administrative work.

128. Councils' Office

Atoll offices, which have been established in all the administrative capitals of the Maldives before this Act was enacted, shall function as Office of the Administrative Division under the supervision of the atoll council once the Act is promulgated. The island offices established in the islands of the administrative divisions of the Maldives will function as Island Council Offices once this Act is promulgated. And Male' Municipality will function as Male' City Council Office under the supervision of the city council.

129. The Chief Administrative Officer
of the Council

The Civil Service Commission shall appoint the chief administrative officer of the council as the Responsible Officer. Such an officer shall be

accountable to the council on all administrative matters relating to the council.

130. Administrative Employees of the Council

- (a) The Civil Service Commission will in consultation with the councils, assign positions, appoint and dismiss staffs, who work in the administrative offices of the atoll councils, the island councils, city councils, and the ward offices. The staff of these offices will be governed by the Maldives Civil Service Act and the regulations formulated by the Civil Service Commission under the Act.
- (b) The existing employees of the Civil Service in the atoll offices, island offices, ward offices and Male' Municipality when this Act is promulgated will change to employees of following offices at the time of establishment of the councils under this Act:
 - (1) Employees of Male' Municipality and ward offices to Male' city council;
 - (2) Employees of atoll offices to the atoll council;
 - (3) Employees of the island offices to the island council.

131. Remunerations and Allowances of the Administrative Employees of the Council

The employees of the council will be given salaries, allowances, pensions and other benefits, in accordance with the Maldives Civil Service Act and the regulations governing the employees of the Civil Service.

132. Investments of the Council

To invest in a business or partner with a company, the council requires a majority approval of the council members.

133. The Name of the Council and the
Name of the Administrative
Office of the Council

- (a) The name of the atoll council as in “Atoll Council” when used should be preceded with the name of the administrative division. For example: Thiladhunmathi Uthuruburi/HA. Atoll Council.
- (b) The name of the island council as in “Council” when used should be preceded with the name of the atoll and island. For example: Thiladhunmathi Uthuruburi/HA. Atoll Dhidhdhoo Council.
- (c) The name of the city council as in “City Council” when used should be preceded with the name of the city or the area. For example: Male’ City Council.
- (d) The name of the council office should be used with the council name followed by the word “office”.

134. Addressing Council Members

Unless specified otherwise in this Act, council members must be addressed as “Councilor” or “Councilors”.

CHAPTER 13

MISCELLANEOUS

135. Relocating Inhabitants of an Island

Under the Government's Population Consolidation Policy, the Government has the power to relocate the inhabitants of an island or islands from inhabited islands of administrative divisions of the Maldives when this Act is promulgated. However, people from an inhabited island can be relocated to another island in this manner only with the consent of the majority of the island's population.

136. Joining a number of Islands as One Administrative Island

- (a) With the exception of the condition specified in clause (b) of this Article, the President has the power to combine inhabited islands of an administrative division as one administrative island, if the inhabitants of these islands propose such a move to the President. A group of inhabited islands can be brought together as one administrative island only with the consent of the majority of the people of those islands.
- (b) An inhabited island in the administrative of the Maldives, which is naturally formed as one island but is administered as two separate islands, at the time this Act is promulgated, shall be administered by one island council. A ward board which will be created under the council shall directly manage the two districts of the island which were previously being administered as two separate islands.

137. Declaring an island as inhabited
And Abolishment

- (a) The President has the power to proclaim; an uninhabited island, a newly reclaimed area adjoining an island or which lies separate from an island, or an area that the Government has especially allocated for settlement, as an inhabited island. And the President has the power to proclaim an island as uninhabited, if the population of that island is less than the population requirement set by the Local Government Authority.
- (b) Before proclaiming an inhabited island as an uninhabited island shall accomplish resettlement and registration of inhabitants of that island in another island.

138. The Newly Established Island
Will be Administered by One Council

If a group of inhabited islands has been declared as one administrative island, pursuant to Article 136 of this Act, one council will be elected to administer this island or region.

139. People's Businesses, Assets and
Finances Prior to the Enactment
of this Act

When atoll and island councils are established under this Act, people's property, funds in their accounts, shops, assets, businesses, schools, classes, basic learning centres (makthab), social centres, power houses, places, and other resources that were managed by the island offices, atoll offices or other relevant government authorities before the enactment of

this Act, shall be transferred to the councils. Of those, belongs to the people of the atoll shall be transferred to the atoll council. Of those, belongs to the people of the island shall be transferred to the island council.

140. Failure to Attain the Number Of
Candidates Required For the Election

In the event that candidates contesting in council election, stipulated in this Act, meet the required qualifications, but the number of candidates contesting the election is equal to or less than the number of members required by the council, the candidates will be considered as elected members without the process of voting.

141. No Discrimination

In enacting this Act, unless stipulated otherwise in the Constitution or this Act, no citizen of the Maldives, must be discriminated against in any manner, because of the person's birth island, the administrative division, the person is registered in, or the island that the person resides in, colour, sex, age, physical or psychological disability, political or other considerations, financial adequacy, family background, or any other reason. The following actions shall be taken to ensure this:

- (a) If a person can be registered in a house or flat in an island other than the one that the person has been registered in, giving the choice of being registered in that island without any condition;
- (b) Without any exception, giving all Maldivians the opportunity to apply for a plot of land or a flat that is being given out from any administrative division or island, if the person

meets the qualifications specified in the Maldives Land Law.

142. State of Emergency

In the event of a natural calamity, disaster, state of emergency, famine, or an epidemic in any island, or administrative division, the President has the power to appoint an authority to undertake the task of planning and carrying out search and rescue, or provide temporary relief or restore normalcy to the area.

143. Flouting Council's Orders

If any person flouts the order of a council, which was given under the powers vested in the council, that person would be penalized with a fine of Rufiyaa five hundred (500) to Rufiyaa five thousand (5000).

144. Maintaining Statistical Records of Council Resources

The council must gather statistical information of natural resources, human resources, infrastructure, vessels, vehicles and businesses in accordance with the standards set by the relevant government authorities and manage these resources based on the advice and ideals of relevant government authorities. The government must provide the council with funds required for this work.

145. Amendments to Agreements

Any agreement entered in relating to an asset or finance falls in jurisdiction of any particular council, between 7th August 2008 and creation of the councils under this Act, will continue its enforcement only if the respective council deems as it valid. Such agreement will be null

from that day if the council disagrees to accept the agreement.

146. Changing the Names Given to Public Places

A two third majority vote of the council is required to change the names given to public places. Relevant government authorities shall be consulted when naming a place of historical importance.

147. Permanent Closure of Public Places

A two third majority of the council is required to permanently close down public places like streets, parks and public squares.

148. Preparing Land Use Plan

The ministry responsible for the Land shall prepare a Land Use Plan for every island in consultation with the island council. The plan should identify residential areas, and demarcate the areas allocated for Government projects and areas allocated for public use.

149. Actions to be Taken over an Issue Which Has Not Been Specified in this Act

If a dispute breaks out between two councils or over an issue which has not been specified in this Act, the Local Government Authority has the power to make a decision on the matter in a manner which would not contravene with the Constitution, this Act, and other Laws and Regulations. The Local Government Authority shall take prompt measures to peacefully settle the dispute. Anyone objecting to the Local Government Authority's decision has the right to file a case to the Maldives High Court.

150. Promulgation of this Act

- (a) This Act will be promulgated when the Act has been passed, ratified and published in the Government Gazette.
- (b) The atoll councils, city councils, and island councils prescribed to be established under this Act, shall be elected within 150 (hundred and fifty) days from the date of enactment of this Act.

CHAPTER 14

FORMULATION OF REGULATIONS

151. Formulating Regulations

The councils have the power to formulate regulations on matters which fall within their jurisdiction with advice of the Local Government Authority. In addition, with the advice of the Local Government Authority, the city councils, atoll councils, and the island councils have the power to make the following regulations.

- (a) Regulation on keeping livestock and birds in the island.
- (b) Regulation on waste management and disposal.
- (c) Regulation on holding entertainment and recreational activities in public places of the island.
- (d) Regulation on using loudspeakers and playing loud music.

- (e) Regulation on putting up announcements and advertisement billboards on the roads.
- (f) Regulation on the protection of environment.
- (g) Regulation on using motor vehicles and non-motor vehicles on the road and the regulation on parking on the road, using public parking spaces and the levying of parking fees.
- (h) Regulation on the anchoring and mooring of vessels at the jetty and harbor, and levying of fees for such activities;
- (i) Regulation on the setting up of roadside stands and carts for the sale of goods on the road, and the fees charged on these businesses.
- (j) Regulation on display of goods out of the shop window, and the display of goods out of the door and on to the road.
- (k) Regulation on leasing/renting houses, land, and buildings.
- (l) Regulation on picking things left in public places, roads, and lagoons.
- (m) Regulation on the temporary closure of roads.
- (n) Regulation on digging and burying things on the road.
- (o) Regulation on keeping iron bars, wooden poles, ropes, corrugated iron sheets, crossed over on to the roads from the houses.
- (p) Regulation on boat houses.
- (q) Regulation cleaning graffiti on the wall.

- (r) Regulation on sweeping the roads.
- (s) Regulation on breaking boundary walls and demarcation walls.
- (t) Regulation on issuing permits to do construction work in houses.
- (u) Regulation on the drainage of water falling from the roofs of houses on to the roads.
- (v) Regulation on public menaces.
- (w) Regulation on issuing permits given by the Council.
- (x) Regulation on giving permit and levying of fees to film in the lagoon, the surrounding seas of an island and in public places.
- (y) Regulation on maintaining jetties and harbors of the islands

152. Formulating Additional Regulations by Councils

The regulations stipulated in Article 151 of this Act, and the regulations that are required within the jurisdiction of the councils, must be formulated with the advice of the Local Government Authority, and published in the Government Gazette.

153. Laws that Require Amendments

Of the laws that are practiced in the Maldives, those that are found to be in contravention to this Act and the objectives of this Act, Attorney General shall—submit for amendment to the People’s Majlis, within six (6) months to the date of promulgation of this Act.

154. Schedules

Schedule 1 and Schedule 2 of this Act, are a part of this Act.

155. Definitions

Unless the application of a word in this Act has a categorically different meaning:

- (a) “Council” has been used in reference to atoll councils, city councils, and island councils.
- (b) “Inhabited Islands” means those islands that have been declared by the Government as inhabited and listed in the Government Gazette as an inhabited island of an administrative division of the Maldives, at the time of or after the promulgation of this Act; and districts and wards that come under a separate administration.
- (c) “With people’s participation” or “In consultation with the people”, means seeking views and opinions of the people who responds to a public notice for consultation.
- (d) “Public finances” means aid and loans given to the people of the island or the atoll by the Government, private parties, and associations and in general any funds that have been deposited, movable and immovable assets, lands and anything that has been acquired in the name of the people of the island or the atoll.
- (e) “Roads of the Island” is referred to the roads of the island which are assigned to the council and falls within the area of the island council.
- (f) “People of the island” means people registered in the division administered by the council or permanent residents of the island or the division.

- (g) “Council’s revenue” means audited and certified annual revenue of the council.
- (h) “Lands, Reefs and lagoons of the island” means the lands, reefs and lagoon area of an inhabited island that are assigned to a council under the Maldives Land Law.
- (i) “National authority/office” or “National authorities/offices” refer to Government Ministries, offices, and bureaus that fall directly under their administration and the independent state institutions established under the Constitution.
- (j) “Administrative division” means the administrative divisions listed in Schedule 2 of the Constitution.
- (k) “Regulations and policies of the government or relevant ministries of the government” means regulations and policies which are formulated for state governance, announced publicly, and published in the government gazette for the purpose of this Act.
- (l) “Island Council Office” means places considered as island offices and sections administered separately when this Act was promulgated.
- (m) “Atoll Council Office” means places considered as atoll offices when the Constitution of the Maldives was promulgated on 7th August 2008.

Schedule 1

Oath of Council Members

“ I ----- (persons name) ----- swear in the name of Almighty Allah that I will respect the religion of Islam, that I will protect the Constitution of the Republic of Maldives and the rights of the Maldivian citizens, that I will bear true faith and allegiance to the Maldives, that I will discharge the duties and responsibilities as a member of ----- (name of the council)----- faithfully and honestly in accordance with the Constitution and Laws of the Maldives.

Schedule 2

Standards or prerequisites required to be declared as a city

Standards or prerequisites are the followings to declare a city under this Act:

1. The population of the island, ward or the division must not be less than 25,000 (Twenty five thousand).
2. Services required by the Local Government Authority must be available in the island, ward or the division.
3. The gross productivity of the island, ward or the division must exceed the minimum level required and publicly published by the Local Government Authority.