### REVIEW OF THE DECENTRALIZATION FRAMEWORK IN THE MALDIVES

TRANSPARENCY MALDIVES A Coalition for Integrity

Transparency Maldives 2019.



### REVIEW OF THE DECENTRALIZATION FRAMEWORK IN THE MALDIVES

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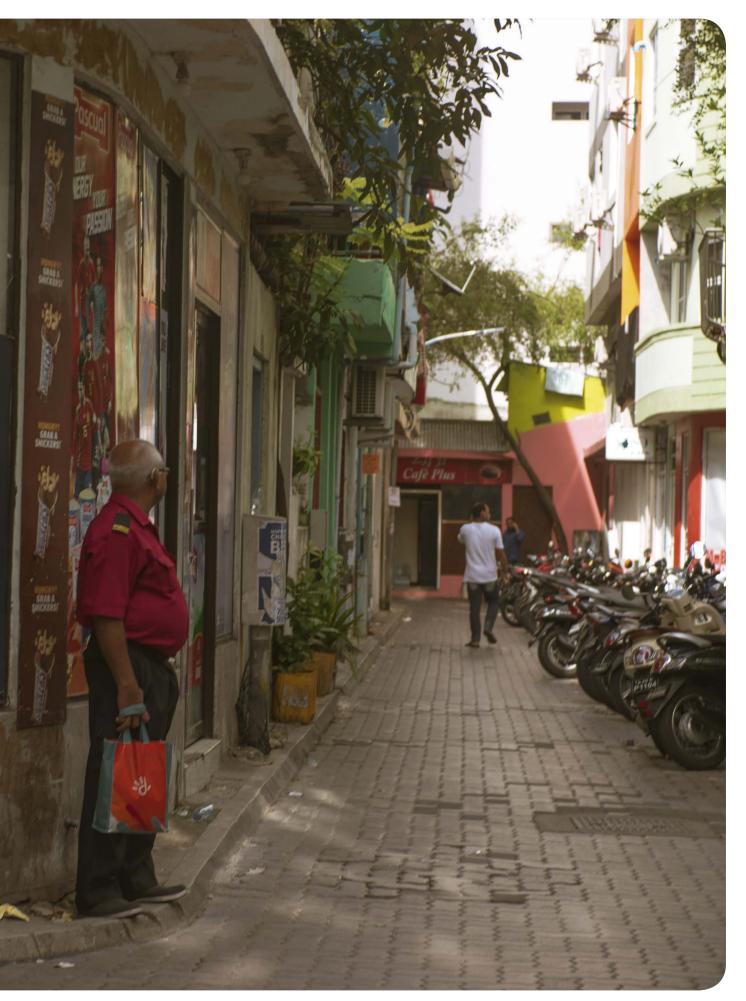
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#### I. EXECUTIVE SUMMARY

The Review of the Decentralisation Framework in the Maldives is produced with the purpose of empowering local communities and strengthening local governance. This review seeks to understand the historical context and experiences of decentralisation during the past few decades, with the aim of informing policy actions of Transparency Maldives and other actors.

The review explores the legal and structural framework of decentralisation as well as experiences of local government officials including elected councillors and administrative staff of local councils. The review discusses Maldives' governance systems of the past decades, from monarchy to republic, back to autocracy and finally the adoption of a democratic Constitution in 2008. Governance of the islands, dimensions of decentralisation, the Decentralisation Act and the amendments brought to it, Local Council Elections, governance of councils and the Local Government Authority (LGA), and challenges faced by the decentralisation system are analysed in the review. Local Government Authority, civil society, representatives of the government, and councillors were interviewed for the review.

### THE MAIN FINDINGS OF THE REVIEW INCLUDE:

- Lack of political will to implement decentralisation, in particular, fiscal decentralisation, severely hampering the ability of local councils to implement their mandates.
- Lack of capacity of some local councils to implement the broad mandate as specified in the Decentralisation Act.
- The politicisation of LGA and the utilisation of the LGA to stifle political dissent.
- Lack of inclusivity in local councils, notably the extremely low number of women contesting and successfully winning local council election.
- Administrative challenges faced by some local councils in implementing their mandate due to conflict with the administrative staff, who are accountable to the civil service and not the council.
- Transparency Maldives recommends the following based on the findings of the report.
- Prioritise fiscal decentralisation to promote self-determination of local communities and provide adequate resources and support to implement the mandate of the local councils.
- Promote local resource ownership and allow councils to conduct development projects that are in-line with the National Development Plan and Sustainable Development Goals.
- Ensure councillors and administrative staff are provided regular capacity building opportunities.
- Implement a local council monitoring

mechanism using measurable indicators.

- Review the mandate of the LGA with a view to facilitating and strengthening the functions of local councils.
- Increase the participation of local councils and communities in development planning, implementation and monitoring of projects.

Decentralised administration was agreed by actors across the political divide as crucial for the Maldives' development during the debate in the constitutional assembly, resulting in a specific provision in the 2008 Constitution decreeing that administrative divisions of the country are to be governed in a decentralised manner. The 2010 Decentralisation Act details the objectives of decentralised administration: to allow 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; and to create an environment conducive for peace and prosperity.

However, successive governments have failed to decentralise, especially with regard to fiscal decentralisation. The centralisation of governance has contributed to wide inequalities in the quality and accessibility of basic services across the atolls. Despite challenges, civil society actors, elected local government officials and some political actors continue to work towards a more democratic and inclusive governance system, of which a key demand is decentralised administration. It is our hope that this publication will help generate discussion on the challenges and solutions to decentralisation, and by extension, empower local councils, civil society, and political actors in their efforts to strengthen local democracy by implementing decentralised governance system.





#### **II. PURPOSE OF STUDY**

This review was undertaken as part of a broad project by Transparency Maldives to strengthen local democracy and the decentralisation system in the Maldives. As part of this project, there was a need to understand and capture the historical development and experiences of decentralisation in the Maldives. The review, therefore, examines the legal and structural framework in place in the Maldives, how it has evolved in recent years, and captures the experiences of the elected local councils. The review also provides policy recommendations to reform and strengthen the decentralisation framework in the Maldives.

#### III. METHODOLOGY

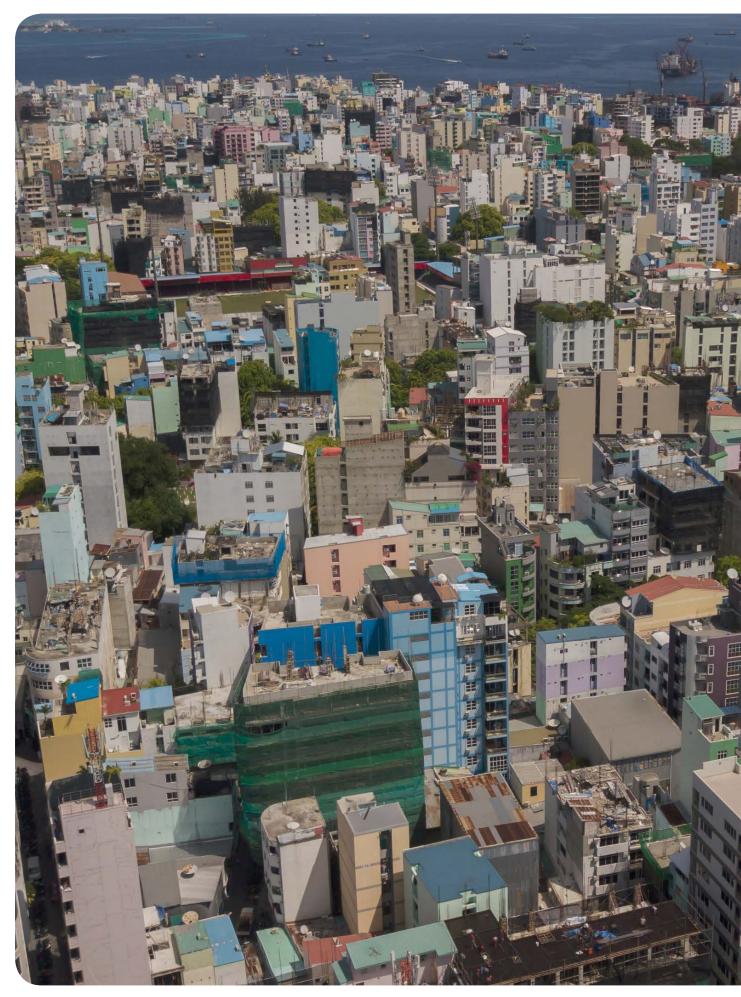
As stated in Article 2 of the Decentralisation Act, the main objective of introducing a decentralised administrative framework in the country is "to allow the island communities to make their own decisions in a democratic and accountable manner; to improve people's living standards through social, economic and cultural development; to empower the people; bring the services closer to the people; and to create an environment conducive for peace and prosperity".

This clause in the Act is used as the primary research question in undertaking this review, the actual question being whether this objective has been achieved.

As the review also attempts to highlight the challenges faced by local councils and the Local Government Authority (LGA) in implementing decentralisation, information was collected through:

- A desk review of published reports and news articles.
- Twenty-six interviews conducted with thirty individuals, which includes representatives of various institutions and relevant professional individuals. (See Annex 1 for a full list of interviewees)
- Thirty telephone interviews conducted with former and current local councillors. (See Annex 3 for the interview questionnaire and Annex 2 for the factors considered in selecting councillors for the interviews.)

The review looks at events up to and including the third local council election held in May 2017.



# CHAPTER 1 BACKGROUND

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#### **CHAPTER 1: BACKGROUND**

### AN OVERVIEW OF POLITICAL HISTORY

The Maldives is currently a democratic republic, based on the principles of Islam. However, for most of its recorded history the Maldives was an independent sultanate save for a brief occupation by the Portuguese during the sixteenth century and also the period from 1887 until 1965, during which the Maldives was a British protectorate.<sup>1</sup> After a previously unsuccessful attempt, lasting between 1953 and 1954 under the tenure of the Maldives' first President, Mohamed Amin Didi,<sup>2</sup> the Maldives finally abolished the sultanate in 1968 and the country has remained a republic thereafter.

For the remainder of the twentieth century the Maldives was presided over by autocratic leaders who exercised power without serious challenge or opposition: first under Ibrahim Nasir, who was President from 1968 to 1978, and subsequently, under Maumoon Abdul Gayoom, President from 1978 to 2008. It was not until the 2000s that a movement towards democratisation began, resulting in the 2008 constitution that formally inaugurated a democratic regime in the Maldives.

As will be explored in the next chapter, during its long history encompassing many shifts in type of government, the Maldives has witnessed several changes with regard to: how its various atolls and islands have been governed; the level of autonomy local communities enjoyed from the central government; and the level of influence locals have had in selecting who governs them at the local level. Present attempts at decentralisation, which are intended to grant local communities the ability to shape their own destinies, draw abundantly from the lessons learned over this long period.

Local communities have not always been content with how the central government has governed them. Frustrations had even manifested in rebellion: from 1959 to 1963, the three southernmost atolls of the country, Huvadhoo, Fuvahmulah and Addu Atoll, claimed independence from the rest of the country,<sup>3</sup> calling themselves the United Suvadive Republic.<sup>4</sup> Additionally, there had previously been other uprisings in Addu Atoll and a united rebellion from all major islands north of Male' atoll, known as Bodu Thiladhummathi Gadubadu.<sup>5</sup>

Another obstacle with regard to decentralisation has been that until very recently, the overarching legal frameworks of the country have favored strong chief executives, and the country has been helmed by autocratic leaders, averse to letting local communities select their own leaders or type of government. Under the 1968 Constitution for instance, the president was the supreme

authority on matters of government, including the administration of atolls and islands outside of Male'. Both Presidents Nasir and Gayoom vested most government authority in their own person.6

Similarly, the new constitution that was ratified on November 1997 and took effect from January 1998 onwards contained provisions that completely subjected the administration of islands to the central government's authority.7 The atoll chiefs, to whom were delegated the ability to run day to day affairs, were appointed and removed at the full discretion of the president.8

Despite the rapid economic and social strides made by the Maldives in the 1980s and 1990s there was increasing discontent towards autocracy and a burgeoning desire for more political liberties, both nationally and at the local level. Following mass riots precipitated by the death of a prisoner on the island of K. Maafushi in 2003,<sup>9</sup> and outrage ensuing in the aftermath of elections held in the October of that year - in which Gayoom reportedly secured over 90 per cent of the vote - pressure intensified on the government to reform.10

In response to these pressures, on 9 June 2004 Gayoom announced a program of democratic reforms<sup>11</sup> released officially on 27 March 2006, entitled a Roadmap for Reform Agenda.12 This process culminated in the 2008 Constitution, which established a democratic system of government in the Maldives, with guaranteed basic civil and political liberties for its citizens for the first time in the country's history.13 Furthermore, the new constitution contained provisions aimed at empowering local communities and formally incorporated the principle of decentralisation into the country's governance framework.

According to Article 230(a) of the constitution "The administrative divisions of Maldives must be administered decentrally". However, despite the formal incorporation of such articles and provisions the political turmoil that characterised the period prior to and following the ratification of the new constitution has hindered the effective implementation of decentralisation (this was arguably exacerbated by the fact that at the time of ratification the Maldives was still struggling to recover from the effects of the 2004 tsunami which had wrought much economic damage14 upon the Maldives).15

There had been promising beginnings for democracy in the Maldives. In accord with the new democratic constitution's requirements the country's first competitive multi-party presidential elections were held in 2008 and were won by Mohamed Nasheed - one of the founders of the Maldivian Democratic Party and former political prisoner.16 Furthermore, in 2011 the country's first local council

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2

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- Zahir, A. 2010. Thirty Years, p. 143. UNDP. 2014. Maldives Human Develop-ment Report 2014, p. 24, <u>http://hdr.undp</u> org/sites/default/files/maldives\_hdr2014\_ full\_report\_0.pdf Asian Human Rights Commission. 2006.
- 15 The Maldives Human Rights Situation in 2006, http://www.humanrights. asia/wp-content/uploads/2018/07/ Maldives-2006.pdf; Freedom House. 1998-2006, https://freedomhouse.org/ report/freedom-world/2006/maldives; US State Department. 2010. Country Report on Human Rights Practices, https:// www.state.gov/documents/organiza-tion/160060.pdf; Amnesty International 2004. Maldives : Peaceful demonstrators beaten and detained, https://web.archive. org/web/20060307225502/http://news. amnesty.org/index/ENGASA290042004; amnesty.org/index/ENGASA2900420 Freedom House. 1998. https://freedo house.org/report/freedom-world/1998/ maldives; Amnesty International. 1995. Maldives: Freedom of expression under threat, https://www.amnesty org/download/Doct asa290011995en.j asa290011995en.pdf; Amnesty Inter-national. 2003. Amnesty International Report 2003 - Maldives, http://www refworld.org/docid/3edb47db4.html; Amnesty International. 2003. Republic of Maldives: Repression of Peaceful Political Opposition, https://www asa290022003en.pdf; NDI. 2004. Assessment of the Opportunities and the Challenges to the Development of Polit-ical Parties in the Maldives, p. 5, <u>www.</u> <u>mvlaw.gov.mv/pdf/publications/1.pdf;</u> Article 19. 2006. Press Freedom Mission to the Maldives, https://www.article19. org/data/files/pdfs/press/maldives-state
- <u>ment-by-the-international-press-.pdf</u> Transparency Maldives. 2008. Domestic 16 Observation of the 2008 Maldivian Presidential Election, <u>http://transparen-</u> cymaldives.org/transparency/wp-content/ uploads/2013/03/election\_report.pdf

elections were successfully held.17

However, in February 2012, three years after his election and amidst protests over his arrest of a sitting judge of the Criminal Court, President Nasheed resigned.<sup>18</sup> Vice President Mohamed Waheed was sworn in on the same day as the fifth President of the Maldives.<sup>19</sup> On the day following his resignation, Nasheed claimed that he was forcibly removed from office and alleged that a coup d'état had occurred.<sup>20</sup> In the immediate aftermath, public violence ensued and clashes occurred between supporters of the former president and the police. Accusations of torture and excessive use of force by the police against Nasheed, MDP parliamentarians, and his supporters were reported by the MDP to local and foreign news agencies.<sup>21</sup>

The disputes surrounding these events contributed to greater political rifts within the country which arguably stymied the work of democratic consolidation, including with regard to strengthening the country's decentralisation framework. The months that Waheed served as President, from February 2012 to November 2013, were charged with high political tensions. The MDP refused to accept Waheed's offer to join in the new administration being formed in 2012 and the new President reneged upon his initial indications that early elections would be held.22

When elections were eventually announced for September 2013, four candidates competed: incumbent President Waheed; former President Mohamed Nasheed; Jumhooree Party leader Gasim Ibrahim; and Abdulla Yameen Abdul Gayoom, a longstanding and well-known public official who is also a half-brother to former President Maumoon Abdul Gayoom.

The long-drawn-out election saw an unprecedented level of court interference in elections (notably, the Supreme Court annulled the first round of elections), encroachment on the powers of the independent Elections Commission, and issuance of electoral guidelines that allowed political parties to influence elections. In a runoff election between former President Nasheed and Yameen Abdul Gayoom, the latter secured the presidency, winning 51.39 per cent of the vote.23

**During President Yameen's administration** political tensions have remained high throughout the country, particularly after the arrests and convictions of high-profile politicians and state officials, including members of government and the ruling party. Several of these trials and convictions have been criticised by international authorities for not following due process.<sup>24</sup> By 2016, Yameen had dismissed and appointed a Vice President on three separate occasions.

In addition to this turmoil there has also been

an attendant decline in political and civil space. Constitutional safeguards intended to protect key democratic liberties and empower local communities have been undermined. Within this context, efforts to decentralise the country have suffered.

Whilst, under the present administration the Maldives have held their second and third local council elections, these elections were subject to several delays and the decentralisation framework of the country has witnessed marked changes. The key guiding legislation outside of the Constitution relevant to decentralisation, the Decentralisation Act, has been amended on five separate occasions; the powers and resources of councils and council members representing local communities have been curtailed; and the structure of the Local Government Authority (LGA), the monitoring body for local councils has been modified. This will be examined in more depth in the next section, which traces the evolution of atoll and island governance in the Maldives and recounts how the desire for decentralisation developed over the years.

#### 1.2 **GOVERNANCE OF ISLANDS**

#### Atolls governance structure in early centuries.

During the period in which the Maldives was ruled by a monarch, the power of this leader was absolute throughout the country. Whilst major decisions were taken in consultation with appointed noble chiefs and ministers, the king had the power to veto any of these recommendations.<sup>25</sup>

Islands were grouped into thirteen atolls by the early seventeenth century. Each was led by a naib<sup>26</sup> appointed by the sultan, who was tasked with overseeing all administrative and legal affairs as well as affairs relevant to education within the atoll.

Atholhuverin<sup>27</sup> were also appointed by the Sultan but initially their role was limited to tax collection (hence the previous term of vaaruverin<sup>28</sup> for this same position) on behalf of the state. They worked alongside naibun and the post was held in high esteem.<sup>25</sup> Katheebun<sup>30</sup> presided over affairs at the island level and reported to their respective naib.<sup>31</sup>

Records of the French traveller Pyrard in the early seventeenth century indicate that atholhuverin were junior to naibun. However, according to the British commissioner HCP Bell, who travelled in the Maldives in the 1890s, by this time atholhuverin had become the more powerful position whilst the responsibilities of naibun were limited to providing advice on judicial matters.<sup>32</sup>

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- Singular form: vaaruveriyaa; plural form: vaaruverin. Ibid., p. 15. 29
- Singular form: katheeb; plural form: katheebun.
   Al Suood, H. Political System of the
- Ancient Kingdom, p. 18. Al Suood, H. 2014. The Maldivian Legal 32 System, p. 15.

#### ATOLL GOVERNANCE STRUCTURE PRECEDING DECENTRALISATION ACT

By the early 1980s, atholhuverin or atoll chiefs were regarded as the most senior representative of the government in each atoll. They were highly respected and lived in the atoll capital in state accommodation. Atolls chiefs were supported in their duties by deputies who were also directly appointed by the president. In some cases, there were various levels of deputies hierarchically divided into the posts of eheetheriya33 (assistant), is eheetheriya<sup>34</sup> (senior assistant), muaavin<sup>35</sup> (an Arabic term referred to an assistant more senior than the is eheetheriya). However, muaavinun were not appointed to every atoll.<sup>36</sup> The scope of the responsibilities of atoll chiefs gradually expanded from maintaining law and order to assisting ministries with coordination of development projects.

Katheebun, who were also appointed by the president and reported to the atoll chief, were tasked with overseeing the administrative affairs at the island level. They were assisted in their duties by a deputy called kuda katheeb.<sup>37</sup> In islands with large populations there were sometimes more than one kuda katheeb.38

Katheebun were often appointed following their recommendation for the post by the atoll chief. They were usually local residents of the island. Atoll chiefs, however, were not always residents of the atoll themselves and had often been transferred among several atolls or other public offices in senior posts.39

The role of the atoll chief was formalised in Article 109 of the 1997 Constitution, which mandated that the president nominate an atoll chief for each atoll.<sup>40</sup> According to the constitution, the atoll chief reported directly to the president, with the duration of their terms being at the discretion of the president, who held the sole authority of appointing and dismissing them.<sup>41</sup> The article specified that the atoll chief must administer the affairs of the atoll in accordance with the president's instructions. Communications to the atoll chiefs were to be made via the relevant minister. The constitution did not mention how administrative affairs should be organised at the island level.

The duties of the katheeb encompassed more than simply managing the administrative and political affairs of the island. For instance, the katheeb also presided over matters relating to education, and oversaw the running of government schools in the island. A 2006 UNESCO review of educational facilities in the Maldives, in fact, noted this particular point as concerning in two ways: (1) This meant that the katheeb did not have a lot of time to tend to the school owing to his other duties, and (2) Due to the lack of formal education and training, the island chiefs

usually were unable to provide the most professional and administrative support a school needed to thrive.<sup>42</sup> The report noted that the Ministry of Education addressed this at the time by training supervisors for all schools. But this confirmed that even up until 2006, these political appointees were still managing at least some schools in the islands.

#### ATOLL CHIEF MEETINGS

From the early 1980s, all atoll chiefs convened on an annual or biennial basis, to discuss challenges and issues that they faced in their respective atolls. Economic and social progress was also discussed during these meetings.

This meeting took place throughout various locations around the country, sometimes in Male'. The first meeting was held in HDh. Kulhuduffushi.43 In later years this meeting was divided into two distinct sessions: one meeting for the northern atolls and another meeting for the southern atolls.44

#### **PROMINENCE OF ATOLL AND ISLAND CHIEFS**

In the atoll chiefs' meeting of 2006, the Minister of Atolls Development invited the United Nations highest representative in the Maldives to join the meeting since the United Nations (UN) was a key donor in the development projects (such as the 2004 tsunami projects) and the atoll chiefs played a key role in assisting coordination in these projects. At the meeting the UN noted that atoll chiefs had a "unique insight into the conditions of the people on the island".45

The role of the atoll chief was important because of their knowledge and expertise on issues and also because of their highly visible presence within communities. For instance, whilst the 1997 Constitution was in effect they played a key role in the country's presidential and general elections.

A particularly illustrative example is from the 2003 election during which the Elections Commission at the time did not possess the human resources to administer the election and had to rely on the atoll chiefs to oversee voting and the transportation of ballot boxes.

Sometimes this prominence transmuted into undue influence and contributed to societal frictions. A report by an Indian research institute in 2004 noted that several persons from both Male' and the atolls felt that atoll chiefs possessed full control over the elections that occurred during this timeperiod and that they could directly influence their outcome. According to this report, several interviewees noted that they would face repercussions by atoll and island chiefs if they voted against government backed candidate - often they would suddenly be confronted with difficulties in obtaining

- 33 Singular form: eheetheriyaa; plural form:
- eheetherin Singular form: is eheetheriyaa; plural form: 34 is eheetherin.
- 35 Singular form: muaavin; plural form:
- muaavinun. Interview with Mohamed Ahmed, atoll chief between 1986 and 2007 for four atolls.
- 37 Singular form: kuda katheeb; plural form:
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- Article 106 of the 1997 Constitution of the Maldives. Ibid., Article 111. 40
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- 46 NDI. 2004. Assessment for Opportunities and the Challenges to the Development of Political Parties in the Maldives, p. 28. w.gov.mv/pdf/publicati
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- Ibid., p. 44. Joint Government and UNDP Mission. 49 2005. Strengthening Decentralised Gov-ernance in the Maldives, p. 4, http://www. hareefweb.com/documents/LocalGovRe
- port.pdf nterview with Abdul Rasheed Hussain 50 Minister of Atolls Administration in 1983. Also noted by Maloney, C. 1976, "The Maldives: New Stresses in an Old Nation", Asian Survey, 16(7), p. 659.
- Interview with Abdul Rasheed Hussain 51 former Minister of Atolls Administration. A publication by LGA also states that elections for Atoll Development Councils were held on 29 August 1961 in Male' atoll, where the person with the most votes was to become the president of the Atoll Development Committee and the atoll chief. However, this was not successful and atoll chiefs were appointed again. Anothe writer, Clarence Maloney, wrote that atoll committees were created soon after the republic was formed and the member securing the most votes became atoll chief These committees were abolished in 1975 and atoll chiefs were then appointed by the President. This is also mentioned in UNDP report Strengthening Decentralised Gov-ernance In the Maldives, p. 6, <u>http://www.</u> shareefweb.com/documents/LocalGovRe forms/SeminarsConsultations&Studies/
- Decentralisation%20Study%20Report.pd Interview with Mohamed Ahmed, former 52 Atoll Chief first appointed in 1986. A shadow report prepared by the local NGO, Hope for Women, reported that Women's Development Committees were active in many islands by 1982 (https://www2. ohchr.org/english/bodies/cedaw/docs/ ngos/HopeForWomen\_MaldivesForPSWG.

pdf, p. 42). According to Abdul Rasheed Hussain, former Minister of Atolls Admin istration, these WDCs were formed after ADCs and IDCs.

- Interview with Abdul Rasheed Hussain. 53 former Minister of Atolls Administration. Also mentioned in Zahir, A. 2010. Thirty Years, p. 247.
- Zahir, A. 2010. Thirty Years, p. 247 A news article issued by MDP on 23 September 2017 provides some back ground on the electoral process for island development committees, which have a term of two years. According to the article, the Ministry of Atolls Development had appointed two independent committees to overse the elections: Organising Committee and Executive Committee. MDP, expressing concern, highlighted that this takes place with no involvement of the Elections Commission. <u>https://themdp</u> wordpress.com/2007/09/23/island-deve evelopment-committee-elections-to-be-held-
- on-27-october-2007/ Joint Government and UNDP Mission. 2005. Strengthening Decentralised Govemance in the Maldives, p. 5, http://www. shareefweb.com/documents/LocalGovRe-forms/SeminarsConsultations&Studies/ Decentralisation%20Study%20Report.pd
- eport.pdf 57 Interview with Mohamed Ahmed, former Atoll Chief.
- nt Government and UNDP Mission. 2005. Strengthening Decentralised Gov ernance in the Maldives, p. 6, <u>http://www.</u> shareefweb.com/documents/LocalGovRe-

rms/SeminarsConsultations centralisation%20Study%20Report.pdf Ihid

- Hope for Women, 2012, Shadow Report to the Committee on the Elimination of Discrimination against Women, p. 42, http://www2.ohchr.org/english/bodies/ cedaw/docs/ngos/HopeForWomen\_Mal-
- divesForPSWG.pdf UNDP. 2014. Maldivian Women's Vision, p. 61 3, http://www.mv.undp.org/content/ma dives/en/home/library/democratic\_gove nocratic\_gover
- lication Hope for Women, 2012, Shadow Report 62 to the Committee on the Elimination of Discrimination against Women, p. 42, http://www2.ohchr.org/english/bodies edaw/docs/ngos/HopeForWomen\_Mal-livesForPSWG.pdf ransparency Maldives. 2015. Assessment
- of Women's Development Committees in the Maldives, http://transparency.mv/files/ media/9cf640937386789db4c8b82b-78bad815.pdf

government services such as medical attention, government loans, necessary licences and so on.46

This report also highlighted that competition for the appointment of atoll chiefs in the early 1970s created family rivalries and conflict in some islands that would endure for years, indicating the power and prestige accorded to the position.47

Thus, atoll chiefs and katheebun were seen as an extension of the central government rather than representatives of communities.48 The posts were not advertised, and appointments were seen as based on political calculation rather than merit.<sup>49</sup> Dismissals would be prompt, with no appeal or review process.<sup>50</sup>

It was to cater for the lack of community involvement in decision-making processes that Atoll Development Committees (ADCs) and Island Development Committees (IDCs) and eventually Women's Development Committees (WDCs) were formed.

#### ATOLL DEVELOPMENT COMMITTEES, ISLAND **DEVELOPMENT COMMITTEES** AND ISLAND WOMEN'S **DEVELOPMENT COMMITTEES**

President Nasir had attempted to form elected ADCs, in which the person winning the most number of votes would be selected as the atoll chief. However, this proved unsuccessful. Committees were abolished, and atoll chiefs were subsequently directly appointed by the President.<sup>51</sup>

Atoll Development Committees (ADC) and Island Development Committees (IDC) were later introduced by President Gavoom and were in effect by the 1980s.<sup>52</sup> Initially an Atoll Development Advisory Board was formed within the central government to determine development affairs of the atolls and islands, which subsequently led to the roll out of ADCs and IDCs throughout the country.<sup>53</sup>

In 1992, the government formally issued regulations to ensure these bodies were elected within the communities they represented. Amongst other responsibilities these committees were expected to advise the katheeb or atoll chief on issues such as land use and development-related affairs.54

These rules were later amended in 1999 and remained in effect until the committees were dissolved following the passage of the Decentralisation Act and replaced with elected councils.55

ADCs comprised of ten to twenty members, depending on the population-size. In most cases, ADCs were chaired by atoll chiefs and consisted of representatives of IDCs of the respective atoll who were appointed by the Ministry of Atolls Development.

IDCs consisted of five to ten members, also depending on the population-size of the island. Some of these members were appointed directly by the atoll chief. The president of the IDC was always the island chief.56

IDCs sometimes included some de facto members in their composition because of the social prominence of these individuals. For instance, if they were the head of the island's health facility or school, it was not unusual for women who held such prominent positions to be included in IDCs. Other members were selected by the community through a voting process - though in this instance, it was rare for a female member of the community to be selected by vote. However, there were no barriers to women voting on the composition of both IDCs and ADCs.<sup>57</sup>

As per guidelines, elections were administered on each island or atoll by a temporary group appointed by the atoll chief in consultation with island chiefs, usually composed of senior government officials. If the number of persons applying for the committee was less than the number of vacancies, then all candidates were granted membership and the remaining positions were appointed by atoll chiefs, following consultations with island chiefs.58

Island Women's Development Committees (IWDCs) were established in all inhabited islands by 1992<sup>59</sup> but according to some sources had been active in many islands as far back as the 1980s.<sup>60</sup> IWDCs were first established in 1979 in Male', then subsequently in other islands.<sup>61</sup>

IWDCs were expected to take on a wide range of activities relevant to women but their income generating activities tended to focus on cleaning services or training courses such as tailoring. Reviews of the IWDCs report that some of these committees were disempowered and confined to stereotypical gendered roles such as cleaning the island and catering for events and festivities during these years<sup>62</sup> whereas other IWDCs were more active and contributed significantly to their island development committees or generated revenue from running businesses.63

There was no formal mention of ADCs, IDCs or IWDCs in any laws prior to 2010. Their functions, elections and operations had been only described in regulations and circulars issued by the Atolls Ministry.

#### **CONSULTATION OF THESE** COMMITTEES

Consultation was made mandatory in community affairs, as stated in the regulations of the IDCs and ADCs of both 1992 and 1999. However, there are few comprehensive reports assessing the performance of individual island chiefs or atoll chiefs or their

relevant committees in this regard.

Some of the donor-driven tsunami related projects consulted and involved island and atoll development committees in the planning and implementation stages of their projects. For instance, the British Red Cross formed a temporary planning committee which included an IDC member during the reconstruction and redevelopment of Th. Vilufushi.<sup>64</sup>

The Japanese aid agency JICA implemented a harbour and sewerage project following the tsunami. In their evaluation report, it was clearly stated that they needed to obtain the consent of IDCs to operate and maintain the harbour and sewerage systems, since it was understood that this infrastructure would be handed over to the IDCs after completion.<sup>65</sup>

The USAID provided reverse-osmosis desalination plants to Naifaru and Hinnavaru and noted in its environmental assessment report that the sites chosen to locate these plants were selected in consultation with the respective IDCs.<sup>66</sup>

Furthermore, during a technical assistance initiative provided by the Asian Development Bank to improve environmental management in the Maldives, the plan of action entailed discussions with IDCs and WDCs amongst other stakeholders, in carrying forward with the project.

It is noteworthy that in the above examples, the committees in particular were prioritised in consultations rather than the governmentappointed katheebun or atoll chiefs, indicating their authoritative and important role in island development planning.

The committees were also consulted by the central government in policy, sector, or program planning, particularly with regard to those plans that heavily impacted communities. In some cases, the Atolls Ministry would explicitly instruct the island chief to obtain the advice of the IDC prior to deciding on key issues such as land allocations.<sup>67</sup>

During 2005 to 2008 when the Ministry of Housing and Urban Development prepared the National Housing Policy, a draft of the policy was reportedly sent to all atoll offices to receive input from ADCs and IDCs, in addition to other stakeholders.<sup>68</sup>

Similarly, an exercise to improve solid waste management services within the Maldives included consultations with ADCs, IDCs and WDCs in the islands selected for the study,<sup>67</sup> as did the Health Sector Master Plan for 2006-2015.<sup>70</sup>

However, some sector plans were developed without close consultations at the local governance level. For example, the Third Tourism Master Plan for Maldives 2007-2011 did not list any consultation with local level consultations, despite the aforementioned plan specifically listing increasing tourism links with island communities as a specific strategy.<sup>71</sup> The Second Tourism Master Plan, the preceding plan prepared for 1996-2005, had only listed consultations with Male' based government offices.<sup>72</sup>

A report by UNDP on the general process of tsunami recovery efforts by the government noted that attempts to integrate IDCs on a systematic basis in recovery efforts (for example, through providing updates on recovery efforts or presenting plans for approval) were limited.<sup>73</sup>Therefore, the ADC's and IDC were not consulted by the central government consistently during this period.

Nevertheless, during the period currently being discussed, although ADCs and IDCs were not legal entities, a form of decentralisation had already started in the Maldives and this was proving to be an effective way of involving communities in local development efforts.<sup>74</sup>

### FINANCIAL ASPECTS OF THESE LOCAL GOVERNANCE UNITS

Expenses of a typical island office included salaries of staff, recurrent expenses of maintaining island or atoll chief's offices, transportation costs within the atoll and allowances for IDC and ADC members. Public services such as street lighting was also provided by some offices in coordination with the respective IDC.<sup>75</sup>

The island and atoll offices and committees were increasingly responsible for more and more community funds towards the latter years. The sources of these funds included allocations from the government's budget and also funds raised from local sources such as rent from guesthouses or shops. Some committees were also known to levy taxes. For instance, Kulhuduffushi IDC was reported to have collected 5 per cent of earnings from sand-mining.<sup>76</sup> However, IDCs and ADCs faced difficulties in raising funds via commercial banks because they were not legal entities and therefore not entitled to take out loans.77 People contributed in-kind to community development needs, such as repair of mosques or water tanks.76

In the 2000s, Ministry of Atolls Development implemented highly successful integrated atolls development projects encompassing several atolls (see Chapter 2). Funds for these projects were raised from the government, the respective ADCs, and from various donors such as the UNDP. In the case of Shaviyani atoll, the ADC alone contributed up to MVR 1 million.<sup>79</sup>

Donors acknowledged the responsibilities of IDCs in their own reports, such as the Japanese aid agency JICA who constructed eight sewerage systems in islands post-

- 64 IUCN. 2009. Study on Post-Tsunami Restoration and Conservation Projects in the Maldives, <u>https://www.miteco.gob.es/es/</u> parques-nacionales-oapn/proyectos-de-cooperacion/Producto-H\_tcm30-287669.pdf
- 65 JICA. 2006. https://www.jica.go.jp/english/ our\_work/evaluation/oda\_loan/economic\_cooperation/c8h0vm000001rdjt-att/
- middives.pdf 66 USAID 2017. Maldives Tsunami Reconstruction Program, p. 1, http://pdf.usaid. gov/pdf\_docs/Pnadj905.pdf 67 Interview with Salma Fikry. 8 Ministry of Housing and Urban Develop-
- Interview with Salma Fikry.
   Ministry of Housing and Urban Development. 2008. Maldives National Housing Policy, p. 1, http://www.mvlaw.gov.mv/pdf/
- 69 Ministry of Home Affairs and Environment. 2004. Identification of Existing Barriers to the Provision of Effective Solid Waste Management Services within the Maldives and Recommendations for their Removal, http://www.globalislands.net/userfiles/ Maldives6.pdf
- <u>Munufacture</u>
   Consultations with these committees confirmed by Ahmed Afaal, current Managing Director of ADK Hospital, who was involved in the preparation of the Health Master Plan 2006-2015, as acknowledged in its foreword: <u>http://www.searo.who. intt/maldives/documents/Health\_master.plan\_2006\_2015.pdf?ua=1
   Ministry of Tourism and Civil Aviation.
  </u>
- ter\_plan\_2006\_2015.pdf?ua=1
   71 Ministry of Tourism and Civil Aviation.
   2007. Third Tourism Master Plan
   2007-2011, http://www.tourism.gov.mv/
- downloads/ttmp.pdf 72 TRANSTEC. 1996. Tourism Master Plan 1996-2005, http://www.tourism.gov.mv/
- TRANSTEC. 5970. Iourism Master Full 1996-2005. http://www.tourism.gov.mv/ pubs/MasterPlan/MasterPlan.htm
   UNDP. 2006. Local Governance in Tsunami Recovery: Lessons learned and Emerging principles, p. 12, http://www.recoveryplatform.org/assetS/recoverycases\_reports/ Local\_Gov\_Tsunami\_Recovery\_2006.pdf
   Interview with Salma Fikry.
- Interview with Salma Tekry.
   Joint Government and UNDP Mission.
   2005. Strengthening Decentralised Governance in the Maldives, p. 10, http://www.shareefweb.com/documents/LocalGovReforms/SeminarsConsultations&Studies/ Decentralisation%20Study%20Report.pdf
   /6 lbid., p. 9.
- Interview with Shareef Nafees, Executive Director at the Ministry of Home Affairs (initially joined Ministry of Atolls Development in 1985, and was part of the core team working on decentralisation reforms).
   Interview with Shareef Nafees and Abdul
- Rasheed Hussain. 79 Atoll Development Funds, <u>http://www.sha-</u> reefweb.com/documents/AboutIADprojects/Atoll%20development%20funds.pdf

tsunami. JICA worked closely with IDCs in developing and designing these projects, as the systems were originally designed to be handed over to the IDCs for maintenance and operation after construction.<sup>80</sup> JICA noted in their 2014 evaluation report that until 2010 the IDCs were responsible for operation and maintenance for harbours and IDCs repaired island harbours under their annual budgets, whereas major repairs were done under the atoll chief using atoll budget, based on a request by the island chief. More serious repairs would be put to the relevant ministry.81

However, there was a lack of accountability, transparency and poor record-keeping during this period. Due to the lack of banking facilities in atolls and islands, payments for salaries and other necessary government office running expenses were often sent in the form of cash from the central government.82

Disbursement and reporting of such funds were guided by loose instructions by the then Ministry of Atolls Administration. Hence, the utilisation of such funds was left to the discretion of island or atoll chiefs and it is

questionable that they were used to optimum effect.

Furthermore, even though island chiefs or the IDCs were handling large amounts of cash, this was based on a single-entry bookkeeping system until 2009, and sometimes not maintained properly at all.83 The UNDP mission in 2005 also commented on the unavailability of financial records during their field visits; the mission attempted to obtain an overview of the IDCs and ADCs accounts and revenues but this proved to be difficult due to "a lack of local transparency".84

Thus, the situation at the time created scope for the misuse of funds entrusted to the local offices.<sup>85</sup> However, measures that the state subsequently implemented in 2009 would have lasting repercussions in terms of community development and facilitating support for decentralisation, which is felt to this day.



- By the time the project was completed, 80 there were utility companies formed in 2009 in the atolls. Hence, the sewerage systems were handed over to these utility companies. The maintenance and opera-tion of harbours were handed over to the newly elected island councils.
- 81 JICA, 2014, Ex-post Evaluation of Japanese ODA Loan: Maldives Tsunami Reconstruction Project, p. 24, https:// www2.jica.go.jp/en/evaluation/pdf/2014\_ <u>MV-P1\_4.pdf</u> Interview with Fathimath Razeena, Finan-cial Controller, on 15 October 2017.
- 82 83 Interview with former State Minister for
- Finance and Treasury Ahmed As-ad on 9 October 2017. Joint Government and UNDP Mission. 84
- 2005. Strengthening Decentralised Gover-nance in the Maldives, p. 11, <u>http://www.</u> shareefweb.com/documents/LocalGovRe-forms/SeminarsConsultations&Studies/
- 20Study%20R Interview with Fathimath Razeena, Finan 85 cial Controller.

#### **IDATION OF PUBLIC FUNDS**

The change in government in 2008 brought about shifts in policy encompassing new approaches to economic and social development and the initiation of new projects. The dissolution of the island and atoll offices as well as IDCs and ADCs were keenly felt by every community, as were the modifications made to the public finance system, which took effect in 2009.

It is important to understand the events that led to these changes in the public finance system. The 2004 tsunami had impacted the Maldives to a great extent and the aid of the international community was essential for rebuilding and reconstruction. Along with this aid, assistance was received by the government to undertake reforms in public finance management systems including reforms in the central banking and restructuring of public finance management. These changes were intended to help better manage these increased aid flows and to bring about needed reforms to the outdated financial systems.

Thus, a new Public Finance Act 3/2006 was ratified in 2006, which introduced more stringent measures for management of state finance. This included the consolidation of all funds into four main state accounts from which withdrawals could be made upon certain conditions or with the approval of the Finance Minister.<sup>86</sup> The Act gave a grace period of three years for the government to implement all the changes entailed. Hence, the law fully came into effect by 2009.87

By this period, the MDP government was in place and the decentralisation bill was being debated. Changes to the administrative

affairs of islands were already taking place in 2009. These included having appointed councillors working alongside island chiefs, creating confusion and conflict in some islands amid multi-party divisions. Therefore, as mandated by the new Public Finance Act, the MDP government implemented reforms in the public finance management system as well. As part of these banking reforms, numerous ad hoc banking accounts of island councils were closed and reopened under a more standard system for better management.88

As part of these reforms to the public finance management system, one decision continues to attract criticism because of the arguably adverse impact it is having on decentralisation. Many communities had accumulated funds under different entrepreneurial activities, which were historically under the custodianship of Island **Development Committees or the respective** island chiefs. The most common source of income for these communities at the time had been running the powerhouses on their islands. The MDP government convinced many communities to hand over their entire community fund and savings to the State. Some communities and onlookers criticise this as encroachment by the then government on communities' hard-earned funds, while proponents of the move cite that there was room for mismanagement and misuse under the previous financial systems.

Prior to the consolidation of these public funds, Ministry of Atolls Development had reportedly received complaints regarding misuse of funds and had dispatched official

86 Article 11 and 15, Public Finance Act 3/2006. Ibid., Article 50.

Interview with Fathmath Razeena. 88 Examples were cited of how bank accounts of island offices were renamed in a more consistent manner.



- 89 Interview with Shareef Nafees.90 Interview with Fathmath Razeen
- 91 Interview with Auditor General's Office.
   92 Interview with Anti-Corruption Com-
- mission. 93 Interviews with Ahmed As-ad, former Minister of State for Finance and Treasury, and Anti-Corruntion Commission
- 94 Interviews with Salma Fikry and Ali Hussain.
- 95 Interviews with Ahmed As-ad and Fathmath Razeena.
   96 Ministry of Finance and Treasury. 2011.
- 96 Ministry of Finance and Treasury. 2011. Circular 2011/10, http://www.finance.gov. mv/public/attachments/184BgKSrowyLOevabuJ9hNXL9vjndnJk0r3iTFMb.pdf
- 97 Interview with Fathmath Razeena.
  98 Telephone interview with councillor for Macmu Atall Council 2017.
- Meemu Atoll Council 2017. 99 Telephone interview with councillor for HDh. Hirimaradhoo 2011-2017

teams to investigate them.<sup>89</sup> They had found that financial statements were not appropriately kept. Furthermore, due to the lack of banking infrastructure at the time, a lot of atolls handled cash only, resulting in opportunity for misuse.<sup>90</sup>

Under the previous Public Finance Act, monthly reports that included details of community funds were to be submitted to the audit office. However, statements from all islands were not audited sufficiently and some had simply not been submitted.<sup>91</sup> Some misuse did occur when funds were raised and managed under island development committees<sup>92</sup> and the consolidation of these community funds had arguably been needed to address. Furthermore, it was a requirement imposed by the new public finance law.<sup>93</sup>

Critiques of this particular decision argue that these funds were not state funds per se and were raised by that particular community's development activities. Consolidating these funds with the overall state treasury entailed that communities would face difficulties in withdrawing finances for own needs and that this was a flaw of the new Public Finance Act.

Reportedly, these actions by the state had negatively impacted community spirit.<sup>94</sup> Alternative measures to protect the funds from misuse could have been considered. For example, more stringent reporting and accountability measures could have been introduced with the new island administration in place, with elected councillors and new legislation being drawn up.

It should be noted that communities still have claim to their stake of funds that were consolidated.<sup>95</sup> According to the Ministry of Finance and Treasury (MOFT), the procedures for how a community can reclaim these funds from the state have been announced on multiple occasions. One such announcement was made on 21 July 2011, by the MOFT circular number 2011/10, which mandated that councils must present to the state how the council intends to use these community funds, and furthermore this must be proposed after thorough community consultations regarding proposed usage.<sup>96</sup>

In order to successfully reclaim what was taken, the particular community, now represented by their elected councils, must provide supporting documents listing the amount that was handed over to the state. However, many communities have not kept sufficient records to submit to the MOFT.<sup>97</sup>

Communities have had varying success in reclaiming their funds. Meemu Atoll Council for instance reported that they had managed to claim back their funds after opening a trust fund to maintain these funds, which are now used as a loan scheme for on-lending within the atoll for various projects.<sup>98</sup> Conversely, HDh. Hirimaradhoo Island Council reported that they have been unsuccessful thus far in gaining access to their funds.<sup>99</sup>

Some islands refused to hand over their community funds initially in 2009/2010, and of these some have managed to successfully use these funds for development activities. Examples include R. Ungoofaaru and Shaviyani atoll.

It is impossible to say how each community would have made use of these funds had they retained the funds, or how much had previously been lost to misuse or mismanagement prior to consolidation. Nevertheless, the consolidation of the community funds by the MDP government remains a controversial issue. Some note that respecting the wishes of communities and acknowledging their ability to raise revenue and manage their own finances would have been more in keeping with the spirit of decentralisation.



## CHAPTER 2 LITERATURE REVIEW -WHAT IS DECENTRALISATION?

### **CHAPTER 2:** LITERATURE REVIEW - WHAT IS DECENTRALISATION?

This chapter comprises of a literature review relevant to decentralisation, outlining its definition whilst examining its varying types.

The World Bank defines decentralisation as: "(A transfer of) authority and responsibility of major government functions from central to sub-national governments - including local governments, civil society, and the private sector."100

Thus, the main purpose of decentralisation is to allow communities to exert influence over local governance and service, and to empower people at the local level.<sup>101</sup> Another source also gives a similar definition and meaning for decentralisation, which is "the redefinition of structures, procedures and practices of governance to be closer to citizenry".<sup>102</sup>

Distinct types of decentralisation exist, each of which possesses varying characteristics, policy implications as well as preconditions for success. Three types of decentralisation are explored below: political, administrative and fiscal.

#### 2.1 POLITICAL DECENTRALISATION

The core objective of political decentralisation is to offer citizens or their direct representatives more power in decisionmaking so that the public services offered locally will be improved and customised to cater to the needs of each community.

In the Maldives, political decentralisation was formalised with the ratification of the Decentralisation Act in 2010 and the election of local councils. These councils are empowered by law to develop fiveyear development plans in full consultation with their constituencies. The significant involvement of the public in these development plans arguably make them more effective and relevant to the needs of local communities. Furthermore, these local representative political bodies have the advantage of being comprised of familiar faces from the local communities whereas national level bodies tend to be seen as detached and depersonalised.

The previous existence of IIDCs and ADCs arguably indicates that political decentralisation had already existed in the country prior to the Decentralisation Act. However, as expounded upon in previous sections, questions remain as to how effective they had been due to a lack of public information assessing their performance.

#### 2.2 **ADMINISTRATIVE** DECENTRALISATION

While political decentralisation transfers decision-making to citizens, administrative decentralisation refers to transferring the authority of delivering public services from the central government to local government units. This can encompass the functions of planning, financing, and management, depending on the approach to decentralisation. There are also distinctions relevant to the type of local government units to which responsibilities are entrusted; for example, whether the recipient agency is simply a government department located within a community, a semi-autonomous public authority, a public corporation, or a regional authority.

The three most commonly discussed forms of administrative decentralisation are deconcentration, delegation and devolution.

#### (I) DECONCENTRATION

Regarded as the weakest form of administrative decentralisation, deconcentration is used most frequently in unitary states. Deconcentration merely shifts responsibilities from central government employees in a capital city to central government employees working in regions, provinces, or districts (with supervision remaining the responsibility of the central government). Despite the ostensible transfer of responsibilities that have occurred, they still remain within the ultimate purview of the central government.<sup>103</sup>

As an example, in 2002, two Regional **Development Management Offices (RDMOs)** were created to manage the development projects being carried out in the northern and southern atolls.<sup>104</sup> These RDMOs were tasked with coordinating and implementing development projects undertaken by central government agencies. The offices were administered by staff from the Ministry of Atolls Development and headed by a Chief Executive Officer. To increase public participation in the planning process, the RDMOs were supported by an Advisory Committee that included the atoll chief and representatives from each atoll in the region covered.

The seven province offices, which were in effect from 2009 to 2012, is another example of administrative decentralisation. These offices were headed by a State Minister appointed by the then President and supported by civil servants. These province offices<sup>105</sup> also held a similar mandate to the RDMOs - that is, to coordinate development

100 World Bank. 2013. Decentralisation, http://www.worldbank.org/en/topic/ communitydrivendevelopment/brief/

#### entr Ibid.

- Ahsan Ullah, AKM. 2004. "Poverty 102 Reduction in Bangladesh: Does Good Governance matter?", The Role of Public Administration in Alleviating Poverty and Improving Governance, p. 42. 103 Decentralisation Thematic Team. What
- is decentralisation?, <u>http://www.ciesin</u> org/decentralization/English/General/ 104
- Joint Government and UNDP Mission. 2005. Strengthening Decentralised Governance in the Maldives, p. 13, http:// www.shareefweb.com/documents/Local-GovReforms/SeminarsConsultations&-Studies/Decentralisation%20Study%20

#### Report.pdf named as National Offices after the

105 Re local election in 2011. See: https:// english.sun.mv/2860

projects underway across different parts of the country.<sup>106</sup>

#### (II) DELEGATION

Delegation refers to when the central government transfers responsibility for decision-making and administrative public functions to organisations that are not wholly controlled by the central government but can nevertheless be held accountable by them. Under delegation discretion is provided for these semi-autonomous organisations to exercise decision-making powers and charge locals for services rendered. The central government, however, retains the right to override or overrun any decision or policy taken by local government (or any other decentralised authority).

The formation of seven utility companies in 2009 in the Maldives can be regarded as an example of delegation as the responsibility of managing electricity grids, powerhouses, and water and sewerage networks were conferred upon them. These seven companies were eventually merged in 2012 into a single company, Fenaka Corporation Limited, which operates even today.<sup>107</sup> Another example is the creation of the Housing Development Corporation Ltd. (HDC), which is tasked with developing and managing Hulhumale - one of the largest urban and growing wards of the capital city.108

#### (III) DEVOLUTION

Devolution entails the transfer of responsibilities from the central government to local governments, which are granted clear legally recognised boundaries over which they can exercise their authority and perform public functions.<sup>109</sup> Usually these municipalities will elect their own mayors and councils and have independent authority to make investment decisions across their municipalities.

In a devolved structure more authority is exercised at the local level in terms of utilizing resources and decision-making and local governments are held to increased standards of accountability for achieving targets. Cramer states that devolution should ultimately entail the "transfer of functions or decision-making authority to legally incorporated local governments, such as states, provinces, districts and municipalities."110

Devolution is to be understood as distinct from deconcentration. In the latter model local governments operate essentially as agents of central government rather than as instruments of local self-expression. On the other hand, in the devolution model the local government is said to be experiencing the highest form of decentralisation.

Although the Maldives has achieved political decentralisation to some extent with the

passage of the Decentralisation Act and the election of local councils, the actual extent of devolution of the central government's powers has been gradual and at times inconsistent. This will be explored further in this report.

#### 2.3 **FISCAL DECENTRALISATION**

In this form of decentralisation, authority over finances, encompassing taxation and generating revenue, are dispersed to local levels of the government. This is so that the local representatives of the government can better control their resources in the best interest of the communities and make economic decisions accordingly.

The Decentralisation Act states that all elected atoll, island, and city councils in the Maldives "shall be allocated funds from the state reserves for state administration, provision of services and development projects".<sup>111</sup> Whilst atoll chiefs and islands chiefs in place prior to the establishment of councils had also received funds for administrative purposes, Decentralisation Act goes further in terms of fiscal decentralisation, by specifically providing funds for and allowing local governments greater discretion in spending their budget on development projects.

The Act also provides guidance on how this can be carried out and delineates factors that must be considered when allocating funds to each council; these include the population size, and the geographical spread of islands to account for transport costs.

- 106 President's Office and Ministry of Home Affairs. 2009. Strengthening Local Governance in Maldives, p. 4, <u>http://www.</u> maldivespartnershipforum.gov.mv/pdf,
- Local%20Governance.pdf 107 Minivan News, 2012, President Waheed creates centralised utilities corporation 'Fenaka', https://minivannewsarchive. com/politics/president-waheed-cre-ates-centralised-utilities-corpora-tion-fenaka-39349 See: https://hdc.com.mv/about/ NDI. 2004. Decentralisation and Local
- 109 Government in the Caribbean, <u>https://</u> www.ndi.org/sites/default/files/decen-tralization-and-local-government-caribbean.pdf 110 Ibid.
- 111 Article 82.



### CHAPTER 3: THE ASPIRATION FOR DECENTRALISATION IN THE MALDIVES

#### CHAPTER 3: THE ASPIRATION FOR DECENTRALISATION IN THE MALDIVES

#### THE BEGINNINGS

It is difficult to determine the exact point in time in which the extant decentralisation framework first started to take form in the country. This is because there had been several factors that incrementally laid the groundwork. Similarly, it would be unfair to attribute this immense achievement to any particular person or one group of people, although the persistent efforts of certain persons and institutions are noteworthy.<sup>112</sup>

Furthermore, it can be argued that a de facto form of decentralisation had always existed in the Maldives due to the wide dispersion of its numerous islands coupled with the communication and transportation challenges that this entailed.

In the past atoll chiefs or the prior naibun exercised power delegated to them by the central government, which is a form of deconcentrated administrative decentralisation (although the common citizen did not have a role in decision-making at the time).

Research gathered shows that the current Decentralisation Act that is in place was the culmination of efforts from within the government, mainly from the Ministry of Atolls Development (renamed from Ministry of Atolls Administration) and was part of the reform movement driven by Maldivian Democratic Party (MDP). However, these efforts were also made successful by the readiness and eagerness of the communities to be involved in the development affairs of their island or atoll.

Although IDCs and ADCs were formed in the 1980s and had functioned for nearly twenty years in the country, there is limited official research describing how they functioned, how much consultation took place between the government and within themselves, and how much engagement occurred between general communities and these committee members. Such research, if it had been pursued, may also have revealed any differences amongst atolls or islands or throughout the years relevant to the effectiveness of these committees.

In addition to political reform movements during the late 1980s and early 1990s, there were also a series of donor-led projects that have had lasting impacts on communities even today, which is explored in more detail in later sections.

#### IMPACT OF MULTI-SECTOR AND LIVELIHOOD DEVELOPMENT PROJECTS IN ATOLLS

Efforts for atoll development planned by the government initially revolved around government-led projects to build basic infrastructure such as schools, health centres, and harbours.

Prior to 1978, there were no records of a public school ever being operated outside of Male' and there was only one hospital for the entire country<sup>113</sup> (which was tragically felt when a country-wide cholera epidemic killed more than 200 people and affected nearly 12,000 others in March-April 1978<sup>114</sup>).

In the 1980s a broad and comprehensive approach to atoll development was introduced. Initial efforts were made in Raa atoll in 1982 and subsequently expanded to include various other atolls. These projects were funded by numerous external donors including UNDP, USAID, IFAD and various others, with Ministry of Atolls Development as the local implementing agency and were called Integrated Atoll Development Projects since they covered various sectors including health, education, water and sanitation, as well as agriculture and fishing.

In addition to the traditional approach of building infrastructure, these projects also included activities designed to boost and empower communities such as trainings and capacity development programs. After a series of Integrated Atoll Development Projects were implemented in thirteen atolls, another broad program called Atoll Development Sustainable Livelihood Programs, which relied significantly on the provision of micro-loans, was introduced (see Box 2 for details of some of these projects).

- 113 Clarence Maloney wrote in 1974 that Male' had only one hospital, a bank, a post office, and three government offices, and that such facilities were not found anywhere else in the country. According to Ahmed Zahir, the first government funded school was opened in 1978 in Baa Atoll
- 114 USAID. 1978. Disaster Case Report, http://pdf.usaid.gov/pdf\_docs/ PBAAB137.pdf

<sup>112</sup> Many interviewees recognised the efforts of former Minister of Atolls Development Mohamed Waheed Deen in pushing for decentralisation reforms, especially within the Atolls Ministry.



The success of certain development projects in the Maldives contributed significantly to boosting the economic growth and poverty alleviation of the target islands. Government officials who worked on these projects noted that the empowerment that directly resulted from the projects contributed to a stronger desire by communities to become involved in local island planning and development affairs.<sup>115</sup> As such, a closer look at these projects is explored here:

- The first such project was the Raa Atoll Integrated Development Project, funded by the US aid agency, USAID. The project was implemented from 1982 to 1985, in all sixteen islands of Raa atoll. This was designed to be a pilot project and if successful, to be replicated in other atolls of the country. The project included thirteen activities, ranging from construction of hospitals, schools, and water tanks to trainings in agriculture, teaching leadership, and micro loans.<sup>116</sup> The final evaluation report concluded the use of funds to be a "worthwhile use of funds" and the "relatively greater involvement of community members in decision-making regarding island-level structures and attention to the use of local materials and locally adapted technologies" was expected to increase the probability of the physical structure of the project being maintained and expanded.117
- Consequently, Atoll Integrated Development Projects took place in Laamu atoll (1983-1988), Haa Alif atoll (1984-1987), Meemu atoll (1985-1991), Shaviyani atoll (1987-1991), Thaa atoll (1989-unknown), Haa Dhaalu atoll (1991-1995), Faafu atoll (1991-1997), Noonu atoll (1995-unknown), and the

four southern atolls combined under a single project known as the Southern Atoll Integrated Development Project (1996-2002). These projects were funded from various donors, such as UNDP and International Fund for Agriculture Development (another specialised agency within the UN).<sup>118</sup>

 All the above projects included activities encompassing multiple sectors, hence the title 'integrated' atoll development. The sectors were agriculture, health, education, and water and sanitation. Interventions included the construction of infrastructure such as hospitals, schools, and rainwater tanks; the implementation of training in vocational self-development and various occupational areas; conducting health related surveys; and distribution of seedlings for farming.<sup>119</sup>

From early 2000 onwards, a different approach of projects commenced. Known as the Sustainable Livelihood Programs, these included microcredit schemes, whereby small loans were provided at interest rates lower than typically offered by commercial banks and on more flexible terms. Over 1500 loans were given between 2000 and 2005. The Sustainable Livelihood Programs were implemented in six atolls: Shaviyani, Noonu, Vaavu, Laamu, Kaafu, and Lhaviyani.<sup>120</sup>

- 115 Interview with Salma Fikry, former staff at Ministry of Atolls Administration from 1999 to 2007. Also, interview with Mohamed Ahmed, former Atoll Chief for four atolls, from 1986 to 2007.
- 116 USAID and IHAP 1985. IHAP Raa Atoll Integrated Development Project: End of Project Evaluation Report, <u>http://pdf. usaid.gov/pdf\_docs/PDAAR451.pdf</u>
   117 Ibid., p. xvi.
- 117 Ibid., p. XVI.
   118 Community Development, <u>http://www.shareefweb.com/index.php?option=com.content&view=article&id=15&ltemid=9</u>
- contentsview=articlesid=15sitemia=y5 119 UDDP 1998. Nilondhe Integrated Atoll Development Program: A Post Project Participatory Evaluation Report, http:// www.shareefweb.com/documents/ DocsofProjects/Nilondhe%20IADP.pdf; USAID and IHAP. 1985. IHAP Rea Atoll Integrated Development Project: End of Project Evaluation Report, p. vi, http:// pdf.usaid.gov/pdf\_docs/PDAAR451.pdf; GOM, FORUT and Save The Children. 1986. Integrated Atoll Development Project: Mid-term tripartite Evaluation Report, http://www.shareefweb.com/ documents/DocsofPojects/Laam%20

IADP%20Redd%20Barna.pdf; IFAD. 2003. Southern Atolls Development Project Completion Report, http://www. shareefweb.com/documents/DocsofProjects/SADPinfrastructure.pdf

20 UNDP. 2010. Assessment of Development Results: Evaluation of UNDP Contribution, https://www.oecd.org/ countries/maldives/47865168.pdf; Atoll Development Funds, http://www.shareefweb.com/documents/AboutIADprojects/ Atoll%20development%20funds.pdf; Community Development, http://www. shareefweb.com/index.php?option=com content&view=article&id=15&Itemid=95 These projects were specifically designed to include elements that would lead to community empowerment and sustainable livelihoods. The successful implementation of these projects was a contributing factor in discussions at the highest policy level for decentralised decision-making in governance issues, rather than just delegating authority to appointed government chiefs - a topic which was previously 'taboo'.121

The government itself recognised that these projects created new relationships between the central government and IDCs, ADCs, and WDCs, whereby these committees became more actively involved in the planning and management of projects. Hence, a degree of devolution was already taking shape in practice in these committees.122

#### **GOVERNMENT-INITIATED RESEARCH AND CONSULTATIONS ON DECENTRALISATION**

In recognition of the growing success of the community empowerment projects and the growing desire to formalise community involvement in island planning and decisionmaking, the government undertook focused efforts to develop its own capacity to prepare a decentralisation framework for the country.123

Between December 2005 and February 2006, a team from the Ministry of Atolls Development (MOAD) visited all inhabited islands of the country to hold community consultations regarding the establishment of elected atoll and island councils. This was successfully held in all islands except a few where the community did not allow the consultations to be held.124

In 2006, a national seminar was held in which more than 80 people participated from government offices, atoll and island offices, NGOs, and political parties.<sup>125</sup> That same year, the team within MOAD incorporated the recommendations from this seminar into the first draft of the decentralisation bill.126 The MOAD team also drafted a regulation on electoral procedures of the proposed councils in association with the then Commissioner of Elections. Furthermore, the team met with various stakeholders (parliamentarians, ministries, and atoll chiefs) separately.127

During this period, MOAD also contributed to the chapter on decentralisation to be incorporated into the new Constitution, which was being debated at the time in the Special Majlis.<sup>128</sup> However, the ministry's draft was significantly rewritten for the final version of the constitutional chapter on decentralised administration.129

#### **CAUTIOUS PLEDGES**

Decentralisation also started to make a slow presence in the government's broad strategic planning documents after the year 2000. Throughout President Gayoom's administration, the government published a total of seven national development plans, each spanning three or five years, outlining government intended programs and plans over the respective period. The Sixth National Development Plan 2001 -2005 included strategies to decentralise planning and implementation, but mainly through NGOs and community-based organisations. Community-led development planning was encouraged as were local resource mobilisation efforts.

The need for legislative reform to introduce elected local bodies was mentioned in the Seventh National Development Plan 2006-2010. The eleventh goal of this plan was dedicated to strengthening local governance and public administration. The report highlighted the need for elected local governments that would be accountable to the communities rather than to the parent ministries or central government. This Plan also included a strategy to establish an institute called 'Training Institute for Local Governance and Development' to train and prepare elected officials for their responsibilities.130

By then domestic and international pressure for political reforms directed against the government in the late 1990s and early 2000s had prompted President Gayoom to announce a program of democratic reforms, which was later released officially on 27 March 2006 as a 'Roadmap for the Reform Agenda'.131 This reform agenda included time-bound institution-specific reforms, which also included goals for decentralisation.

#### TABLE 1 :

#### EXTRACT FROM THE ROADMAP FOR THE REFORM AGENDA

- Interview with Salma Fikry, former 121 Executive Director at Ministry of Atolls Development. This conclusion was also noted by UNDP in its Assessment of Development Results (2010), p. 22. The UNDP report notes that decentralised authority of power was previously a taboo topic of discussion at policy level in the Maldives.
- Ministry of Planning and National Development. 2001. Sixth National Development Plan 2001-2005. 122
- 123 These efforts include visits to India and the Philippines in 2006 to meet with local councils and other relevant institutions. See the reports from these visits: http://

# See the reports from these visits: http:// www.shareefweb.com/documents/ LocalGovReforms/Studyvisitsabroad/Ker-alavisit.pdf; http://www.shareefweb.com/ documents/LocalGovReforms/Studyvis-itsabroad/PhilippinesVisit.pdf

- Interview with Salma Fikry. The number of islands where consultations were not held 124 is either three or four.
- Local Governance Reforms, <u>http://www.</u> shareefweb.com/index.php?option=com\_ content&view=article&id=1:local-gov-125
- ernance-reforms&catid=4:local-govern-ment&ltemid=43 Interviews with Salma Fikry. Husnu 126 Al Suood, who was later hired by the government to draft the Decentralisation Act that was eventually submitted to the Parliament, also confirmed that he was given an initial draft of the act by MOAD
- 127
- Interview with Salma Fikry. Interview with Husnu Al Suood, who 128 129 was also a Member of Parliament fo the Special Mailis assembled to draft the 2008 Constitution. Ministry of Planning and National
- 130 Development. 2006. Seventh National
- Development Plan 2006-2010, p. 197. The President's Office. 2006. Roadmap 131 for the Reform Agenda: Ushering in a Modern Democracy, <u>http://www.</u> maldivespartnershipforum.gov.mv/doc/

admap\_for\_the\_Democratic\_Reform Agenda.pdf

CURRENT STATUS	GOAL	PROPOSED COMPLETION DATE	CONCERNED AUTHORITY
Strengthening and decentralising atoll and island administration	1. Tabling the Bill on Decentralised Administration of Atolls and Islands before the Majlis	31 January 2017	Attorney General's Office Maldives Law Commission
	2. Electing Island Councils		Ministry of Atolls Development
	3. Electing Atoll Councils		People's Majlis

The roadmap also included modernising the electoral system by establishing an Electoral Commission (before 31 December 2007), and developing the regulatory framework to enable the formulation political parties (before 1 June 2006) - all of which were linked to a functioning decentralised system to take effect.

The new Constitution was ratified in August 2008 with chapter 8 dedicated to decentralisation. Local island and atoll leaders were to be elected for the first time in the Maldives' recorded history. Furthermore, Article 298 of the Constitution stated that the first local council election must be held by 1 July 2009.

These targets were not met by the stated deadlines.

#### **DELIVERING ON PLEDGES: THE DECENTRALISATION LAW**

UNDP notes that the during the 2000s the government conducted extensive consultations on decentralisation, but the speed of progress remained slow.132 This criticism was echoed by various observers who lamented the incremental pace of realizing the Roadman for the Reform Agenda, as described below.

The decentralisation bill was submitted to the parliament on 23 March 2009 to the Sixteenth Parliament.<sup>133</sup> The term of the Sixteenth Parliament lapsed before the bill was passed, and as per parliament procedures the bill was resubmitted to the Seventeenth Parliament on 17 June 2009. After some debate, the government withdrew the bill and resubmitted a revised version on 3 March 2010.134 The Decentralisation Act was finally passed on 28 April 2010,135 and was ratified by President Nasheed on 17 May 2010.

While the decentralisation bill was in the process of debate in the parliament for more than a year, it is important to acknowledge that there was a huge amount of work being done at this time in the parliament, following the promulgation of the new Constitution. posing challenges to meeting strict deadlines. For example, during 2010, twenty-five new laws or amendments were passed while the number for 2009 and 2008 had been 13 and 15 respectively.<sup>136</sup> Various new independent institutions and statutory bodies were formed, and each required a specific legislation. In the midst of this hectic work pace, several constitutional deadlines were not met, including parliamentary election.137

Partisan wrangling added to the above difficulties in drafting the decentralisation bill. At the time the majority of the parliament was comprised of opposition party members, mainly from Dhivehi Rayyithunge Party (DRP).<sup>138 139</sup> During this period President Nasheed consistently raised concerns that the parliament was obstructing the government's duties.<sup>140</sup> To protest this, on 29 June 2010, the President announced the resignation of his entire cabinet of thirteen ministers. On 30 June the leaders of two political parties, Jumhooree Party (JP) and People's Alliance (PA), were arrested on bribery charges and detained for thirteen days until the Supreme Court ordered their release.<sup>141</sup> These incidences highlight the tensions amidst

which parliamentary debates took place between political parties.

As stressed, the debates within the parliament regarding the decentralisation bill were difficult and lengthy. Some interviewees were of the view that the arguments made by the opposition members were to deliberately obstruct the government's decentralisation plan and the policies surrounding it.142 While there were various points of contention between the ruling party (MDP) and the opposition (DRP), the main dividing line was their respective stance on the matter of provinces.143

The bill submitted by MDP proposed to include elected councils to a new tier of local government: provinces. These were to be composed of groups of atolls. The reasoning put forward by MDP was that provinciallevel atoll councils, in which several atolls would be grouped together under provincial councils, would increase efficiency in terms of resource utilisation since the main purpose of these councils would be mainly to coordinate the work of island councils. The bulk of the development planning and implementation would be borne by the island councils.<sup>144</sup>

Furthermore, members of parliament from MDP argued during committee meetings that the governance of the country on a provincial system was included in the MDP manifesto, and that it was incumbent on the elected government to deliver upon this pledge.145

However, DRP's rebuttal was that the administrative regions of the Maldives were already defined by the Constitution in its Annex 2, and that the decentralisation framework should follow these exact twenty administrative regions. Both DRP and the Attorney General at the time maintained that forming provinces were not in strict harmony with the administrative divisions as laid out in the constitution.146

In addition to this core dividing rift, there were various other discussion points regarding the bill.<sup>147</sup> For instance, a clause was included in the initial draft that allowed an atoll to lease land from other atolls.<sup>148</sup> These and other clauses were amended on the floor.

In the final Act that was passed, atoll councils would be formed in accordance with the list of twenty-one administrative regions in the constitution; no mention was made of the provincial councils.

MDP party members walked out of the parliament on the day the bill was voted on. President Nasheed himself publicly expressed his dissatisfaction with the bill but ratified the Act on the basis that it was not in the public interest to delay the bill any further, in light of that the constitutional deadline for delivering a Decentralisation Act had already passed.149

By then the public expectations for

- 132 UNDP. 2010. Assessment of Development Results: Evaluation of UNDP opment Results: Evaluation of Graz. Contribution, p. 40, <u>https://www.oecd</u> org/countries/maldives/<u>47865168.pd</u>
- The bill was drafted by Husnu Al Suood 133 who was initially commissioned privately for the work. However, while the bill was being debated in the parliament, he was appointed as the Attorney General by President Nasheed in June 2009, and served in this position until August 2010. Dates given by Majlis secretariat by
- 134 mail correspondence with Transpare
- Maldives on 14 November 2017. Minivan News. 2010. Decentralisation bill passed as MDP MPs walk out, https:// 135 minivannewsarchive.com/politics/ decentralisation-bill-passed-as-mdp-mps-walk-out-6444
- 136 See: http://www.mvlaw.gov.mv/
- ganoonAll.php Interview with Aiman Rasheed. Also noted 137 by UNDP in Assessment of Development Results: Evaluation of UNDP Contribution (2010), p. 40, and in a country evaluation report carried out for the European Commission, Evaluation of the European Commission's Co-operation with Maldives (2010), p. 73.
- 138 The party was formed in 2005 by forme President Maumoon Abdul Gayoom. 139 Composition right after the 2009
- parliamentary election was 28 seats for DRP, 25 for MDP, 13 Independent, 7 PA. 2 DOP. and 1 JP. See: Transparency Maldives, 2009, Domestic Observation files/download/b56ff34b94e9c41983beac21b6a3
- <u>8c3ac21b6a3f.pdf</u> Transparency Maldives. 2010. Parliament 140 Watch: Evaluation of the Parliament of the Maldives, p. 12, <u>http://transparency.</u> mv/wp-content/uploads/2013/09/par-liament\_watch1.pdf 141 ICJ. 2011. Maldives: Securing an
- Independent Judiciary in a Time of Transition, p. 13, http://www2.ohchr.or english/bodies/hrc/docs/ngo/ICJ\_Malr.org/ es HRC10
- Interviews with Ibrahim Waheed and 142 Member of Parliament Mohamed Aslam Mentioned in separate interviews with
- 143 Husnu Al Suood, Aiman Rasheed, Salma Fikry, and Naish Ahmed, Acting Editor at Maldivian Independent. Also noted in a country evaluation report carried out for the European Commission. Evaluation of the European Commission's Co-operation with Maldives (2010), p. 75.
- Interview with Husnu Al Suood 145 Minivan News, 2010, "Hell will come" to Minivan News. 2010. 'Hell will come' to Parliament over provinces section: MP Mohamed Nasheed, <u>https://minivan-newsarchive.com/politics/hell-will-come</u> to-parliament-over-provinces-section-my mohamed-nasheed-5741 Interviews with former Attorney General Abdulle Mutru and Humar M Sucod
- 146 Abdulla Muizzu and Husnu Al Suood.
- Interviews with Abdulla Muizzu. Minivan News. 2010. Decentralisation bill passed as MDP MPs walk out, https:// 147 148
- minivannewsarchive.com/politics/ decentralisation-bill-passed-as-mdp-mps-Ibid.; See also: http://www.unpan.org/ 149
- PublicAdministrationNews/tabid/115/ mctl/ArticleView/ModuleID/1467/articleId/21687/Default.aspx

decentralised governance, with an elected local island and atoll council, were growing. Some studies conducted in the mid-2000s, four or five years prior to the passage of the Act, had already reported on growing frustration within communities on the limited role of communities in selecting their local leaders (see Box 3).



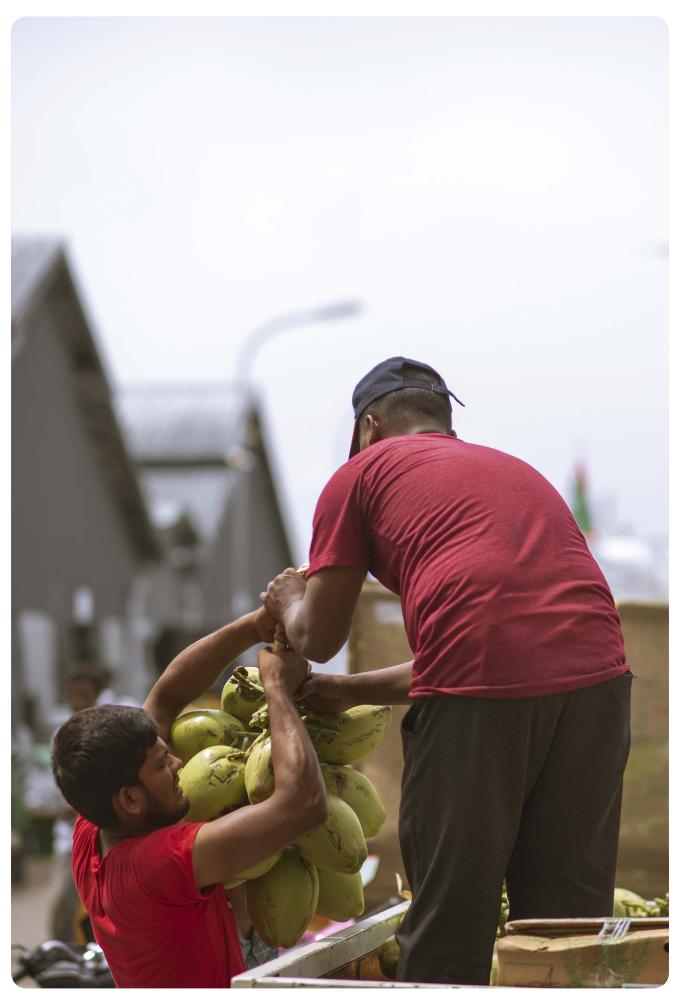
Some independent reviews conducted in the 2000s concluded that communities were eager to have more say in development affairs, and in the selection of island and atoll chiefs.

A report<sup>150</sup> published by the Human Rights Commission in 2006 analysed the attitudes and knowledge of Maldivians about their rights, including democratic rights. The survey was conducted within a sample of 1,205 households from selected islands across the country, which was then augmented by focus group discussions. The survey found that nearly 90 per cent of the population believed that atoll chiefs and island chiefs should be elected locally.

Some other reports which were prepared at the request of Gayoom's administration, to facilitate the government's requests for technical assistance to move ahead with their stated intentions of democratic reforms, reiterated the Maldivian communities' readiness for decentralised local governance.

Similar findings are concluded in a report prepared by a Commonwealth electoral advisor who visited two atolls (consisting of five islands in total) towards the end of 2004. His main task was to prepare a brief on the shortcomings of the electoral process at the time. However, he also spoke with community members during these visits and noted that the majority of the people he spoke with were critical of members of parliament because they did not visit constituents after they had been elected. He reported that the people wanted parliamentarians to act as their advocate to the government to raise their issues. He also reported that it was generally felt that the local island and atoll chiefs should be elected and made answerable to the communities they worked in, instead of being appointed.<sup>151</sup>

> Human Rights Commission of the Maldives. 2006. The "Rights" Side of Life, http://www.hrcm.org.mv/publications/otherdocuments/TheRightsSideOfLife.pdf
> Turner, J. 2004. Report following a review of the Maldives' electoral laws, regulations and other related legislation, procedures and administrative mechanisms, p. 9, www.mvlaw.gov.mv/pdf/publications/3. pdf





# CHAPTER 4: LEGAL FRAMEWORK

### **CHAPTER 4: LEGAL FRAMEWORK**

The legal framework for decentralisation in the Maldives is guided by Chapter 8 of the 2008 Constitution, and the Decentralisation of the Administration Divisions of the Maldives Act (7/2010). Procedures for local council elections are detailed in the Local Councils Elections Act (10/2010).

The legislative framework also includes any regulations under these acts. In addition, locally elected councillors are required to abide by any other instructions issued by the LGA or other state institutions (such as the Ministry of Finance and Treasury), that are not in contravention of the above laws or regulations.

#### 4.1 THE CONSTITUTION

The Constitution contains six articles on decentralisation. Article 230(a) states that administrative regions of the country must be administered in a decentralised manner. Article 231(c) states that the term of the council is for a maximum duration of three years and that councils must be given powers to own property and incur liabilities. The Constitution also states that local councillors must be elected by a secret ballot (Article 231(a)), and that the president and vice president of councils must be elected from among the members of each council by a secret ballot (Article 231(b)). Article 234 states that the central government must allocate funds to local councils to facilitate fiscal decentralisation.

#### 4.2

#### DECENTRALISATION OF THE ADMINISTRATION DIVISIONS OF THE MALDIVES ACT 7/2010

The Decentralisation Act consists of fourteen chapters. A brief description of these chapters is given below (excluding amendments): As stated in the previous section, the debates of the bill in the parliament were disruptive, with pro-government members walking out just before the final vote. President Nasheed, nevertheless, ratified the bill on 18 May 2010, within the month of its passage by the parliament, stating that it had already been long delayed.

The President's Office also immediately released a statement which included issues of concern regarding the Decentralisation Act, highlighted by the then Attorney General.<sup>152</sup> Among the issues raised was the disproportionate numbers of council members with respect to population. For instance, Male' with a registered population of 125,000 had eleven members whilst Addu with a population of 29,000 had twelve members. On the other hand, Fuvahmulah with a population of 9,000 had thirty council members in total.<sup>153</sup> Another critique raised was the high number of councillors in total and the additional burden on the government for salaries and allowances. The Decentralisation Act created nearly 1,000 new political new posts in the country, and the International Monetary Fund (IMF) also highlighted that this was a considerable additional expenditure burden on the government. The IMF forecasted an increase of 1 per cent of GDP for only the employment related expenses due to the Act, explaining that these posts would have a salary higher than the average civil servant.<sup>154</sup> MDP had proposed 220 councillors in total in their draft legislation.<sup>155</sup>

Qualifications of a city councillor, island councillor, and atoll councillor are the same and none of these include any necessary education or experience prerequisites. There is no limit on the number of terms that a single person can serve as a councillor. The Law also included a definitive role for Women's Development Committees and for the first time gave these committees a legal status. Box 4 examines in depth the role of Women's Development Committees and some of their experiences over the past years.

#### Decentralisation Act, https://minivannewsarchive.com/politics/president-ratifies-decentralisation-act-7208 Fuvahmulah had eight wards. Each ward was considered an Island. Therefore, each ward or 'Island' had a three-member council. Since Fuvahmulah is also a separate atoli, it also had a six-member atoll council, thus resulting in a total of 30 elected councillors. According to the current Mayor of Fuvahmulah, this large local municipal framework for the island was actually an amendment proposed by an MP for the island, when the bill was discussed in the parliament. In 2017 Fuvahmulah was categorised as a city and now has only three councillors in total. International Monetary Fund. 2011. Article IV Consultation: Staff: Reeport-Staff-Statement-and-Supplement-Public-25261 Minivan News. 2010. Decentralisation bil passed as MDP MPs walk out, https:// minivannewsarchive.com/politics/ decentralisation-bilt-passed-as-mdp-mpswalk-out-6444

152 Minivan News. 2010. President ratifies

#### TABLE 2 : SUMMARY OF DECENTRALISATION ACT 7/2010

NAME OF CHAPTER	MAIN POINTS
1. General Articles	This introductory chapter provides the name and objectives of the Act.
	These objectives include allowing 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 bring public services closer to the people; and to create an environment conducive for peace and prosperity.
2. Administrative Divisions of the Maldives	The articles in this chapter outline the president's powers to form city councils, atoll councils, and island councils. These divisions are in accord with the administrative regions specified in Annex 2 of the Constitution.
	The articles also outline the reporting structure and hierarchy of these councils: they instruct that island councils should report to their respective atoll council, and that atoll councils should report to the Local Government Authority. Furthermore, all local councils are ultimately accountable to their constituencies.
3. Atoll Council	The articles in this chapter stipulate that an atoll council must be formed for each of the twenty administrative regions specified in Chapter 2, and that these councils are independent legal entities.
	The powers and responsibilities of atoll councils are listed. These include: monitoring and coordinating the work of island councils; carrying out development activities within the atolls; and financing these activities by taking out loans or generating revenue by various means.
	The number of councillors per atoll is to be dependent on the number of electoral constituencies within the designated administrative division (the same system that is used for the parliament).
	If there are two constituencies within an administrative division, then three members are elected from each (so that cumulatively six members will serve on the atoll council); if there are more than two constituencies, then two members are elected from each constituency.
	The Act also states the prerequisites for an atoll councillor and further specifies the attributes which would disqualify someone as a candidate (which includes bribery charges and other certain criminal charges). The length of term of an atoll council member, as well as for city and island council members, is three years.
4. Island Council	This chapter states that island councils must be established in every inhabited island that is not designated as a city and gives each island council the status of a separate legal entity. The act delineates twenty-four distinct powers and responsibilities to be conferred to island councils. These include broad development responsibilities such as to implementing development projects, acquiring land reefs and lagoons in accordance with the Land Act (for leasing or investment purposes), and maintaining a safe and peaceful environment in the island in collaboration with the police.
	Similarly, services to be provided by the island council are also listed. These include: building and maintenance of roads; disposal of waste; maintenance of jetties and operation of ferry terminals; alleviating any land erosion problems; maintaining public utilities such as water, sewerage, and electricity; providing primary health care; maintaining sports fields and playgrounds; protecting victims of domestic violence; maintaining a land registry; and maintaining mosques and cemeteries.
	The composition of the island council is to be dependent on the population of the island: five members if the population is less than 3,000; seven members if the population is between 3,000 and 10,000; and nine members if the population is above 10,000.
	Under this chapter, Women's Development Committees (WDCs) are also given legal status for the first time with their powers and responsibilities defined (see Box 4 for more information on WDCs).
5. City Council	This chapter gives the president the power to give city status to any island or area that meets the prerequisites (which are determined by the LGA and include considerations such as population size). The city council elected to these areas are to have independent legal status. The power and responsibilities of city councils and the services they provide are defined in this chapter and are similar to that of island councils. But unlike island councils, city councils have wider discretion to raise funds through financial securities and trading activities.
	(Note: The powers, responsibilities, and services of city councils were later amended; see Chapter 3.)

NAME OF CHAPTER	MAIN POINTS
6. Local Government Authority	The Act gave powers to the president to create a Local Government Authority (LGA) to monitor and coordinate the work of local councils.
	The responsibilities of the LGA, as defined in the Act, include formulating all necessary regulations, identifying training needs, and organising such trainings.
	The LGA also has broader powers, such as determining the area of jurisdiction of every city, atoll, and island council and to publish these areas within the first year.
	The composition of the LGA is a mix of appointees by the president, parliament, and representatives from amongst the councils themselves. (Note: Changes were brought later to the composition of LGA. These changes are discussed further in Chapter 3.)
	The LGA is granted the power to review and assess situations where councils fail to perform their duties and responsibilities in a satisfactory manner, as per the Act. Furthermore, in specific situations the LGA may file cases to the High Court for the dissolution of elected councils.
7. Relationship between national authorities and councils	This chapter describes how state institutions must involve local councils in national planning and development activities.
	Councils have a right to be involved in discussions prior to launching projects. Atoll councils must review any Environmental Impact Assessments (EIAs) that are required for a project.
	National authorities must provide their services in all administrative divisions. They can do this by establishing an office in the area (deconcentration) through an agreement between the national authority and relevant council, or by facilitating the ability of atoll council to provide services directly.
	In addition to any predetermined arrangements, the central government is also obliged to provide extra assistance to councils in time of disasters, emergencies, or epidemics.
8. Business ventures of the councils	Councils are encouraged to increase the participation and role of NGOs and the private sector in development efforts and are mandated to share this information with the public if their share of investment exceeds one-third of the total estimated income. National laws regarding procurement are applicable and transparency is encouraged in these collaborations.
9. Acquiring fees, rents, income and loans	Councils have a right to charge fees for the services they provide. These services include the provision of electricity, water and sewerage; communication; waste collection and disposal; vehicle/vessel registration and operation; retail permits to operate businesses; diving permits; and lease of land and reef under the jurisdiction of council administration.
	The government is also obliged to provide a portion of the state budget to local councils. The factors (such a population, number of inhabited islands, etc.) to be considered in calculating specific allocations are listed in the Act. (Note: See Chapter 3 for further information on the fiscal formula that LGA has developed for budget apportioning.)
	Councils may seek loans from banks, international financial institutions, or other councils. They can also enter into contracts with private parties. In all of these instances the LGA must be informed.
<b>10</b> . Management of Accounts of the Councils	This chapter states how financial statements of councils are to be maintained, reported and how budgeting statements are to be carried out.
	All laws regarding public finance and assets are applicable to councils (in practical terms this chiefly encompasses the Fiscal Responsibility Act, and the Public Finance Act and its regulations). The chapter also explains the contents of the annual budget statement that must be prepared by each council.
	The Act also states that the government must consider the development plans of the councils in preparing the National Development Plan and the annual government budget.
<b>11.</b> Submission of plans, reports and provision of information	This chapter lists the plans and reports that must be prepared by the councils and specifies to which authorities and by when these documents are to be submitted.
	Councils are obligated to submit a detailed activity report for the first six months, a detailed activity report for the previous year, a work plan and budget, an audit report, and a five-year development plan.
	Two public meetings are to be held annually, one in February and one in July, where the reports, plans and budgets are to be shared with the community.

NAME OF CHAPTER	MAIN POINTS
<b>12</b> . General Rules on the Administration of Councils and Council offices	This chapter outlines how council meetings are convened and conducted. All decisions, resolutions, and orders of councils must be publicly disclosed. This chapter also contains articles on how council members can relinquish their membership (as a council member).
	The president or vice president of a council can be dismissed from their post by a vote taken from within the council, and still retain membership.
	A conflict of interest clause is included in the Act, which states that a councillor cannot be present in a meeting where they have a vested interest in the issue being discussed or if the issue involves their spouses or children.
	The central government is obliged to provide all councillors with an office, which must be staffed by employees who are members of the civil service and who are thus appointed by the Civil Service Commission, though in consultation with the councillors. (Note: This arrangement has created difficulties in practicality, which is explored further in Chapter 3.)
13. Miscellaneous	This chapter pertains to other issues of island and atoll development. This includes community relocation, which was a policy being pursued by the government at the time when the Act was being drafted.
	The Act provides that community relocation can occur contingent on the consent of the majority of the population of that island.
	Another issue at the time was the division of communities within the same island, with some communities functioning separately even though they were geographically one island. The Act declares that any island that had been previously administered as separate communities but is naturally one island would hereafter have one island council. (Note: This particular article would later be removed in an amendment, see Chapter 3.)
	The Act also provides the LGA discretion to determine the minimum population that an island must have to be designated as inhabited. The president has the final authority to declare any island or newly reclaimed land as inhabited or uninhabited. This chapter also sets a deadline for elections, which was 150 days from enactment. (Note: Even though the deadline was 13 October 2010, the election was eventually held on 5 February 2011. Local Council Elections Act was passed on 29 July 2010.)
Schedule 1	This section contains the oath to be taken by council members.
Schedule 2	This section contains the standards and prerequisites required to be declared as a city. These are as follows:
	<ol> <li>The population must not be less than 25,000.</li> <li>Services required by the LGA must be available in the area.</li> <li>Gross productivity must exceed the amount published by LGA.</li> </ol>



### **BOX 4:**

#### WOMEN'S DEVELOPMENT COMMITTEES

The passage of the Decentralisation Act laid out a more participatory role for Women's Development Committees (WDCS) in the governance of development affairs of islands, compared to the previous IWDCs. The Act stipulates that a WDC should be established in each island, operating under either an island council (Article 35) or a city council (Article 57). WDC members are elected by the women of the community,156 and the term of a committee member is three years.157

The Act states that these committees must advise the island or city councils on development affairs of the island or city. The council must also grant a monthly meeting with the WDC. Article 5 of WDC Regulations, 2012/R-14,<sup>158</sup> states that the activities developed by the WDC must be included in the island development plan and annual island development budget.

The first WDC election under the Decentralisation Act was held in November 2012 and took place in 102 islands only. In forty-four islands there were no candidates competing. In some islands, candidates were elected by default if they were the sole contestants. For instance, in Male' the candidates for the six seats were elected by default as only one candidate contested for all six seats. Voter turnout was also low.159 Unlike elections for the local councils, the elections for WDCs are carried out by the LGA.

A review of these committees published in 2014 reported that women in WDCs "were not fully aware of their mandate and lacked the power and budget to fulfil their mandate."160 The report also noted that a few WDCs had nevertheless started entrepreneurial activities successfully and were contributing to their communities. The report's recommendations included for WDC elections to be conducted by the Elections Commission, to give it more importance, and for active WDCs to visit islands where WDCs were lagging to mentor and assist the dormant WDCs.161

As mandated by the Decentralisation Act, the LGA monitors local councils' performance and adherence to law, which includes monitoring which islands have set up WDCs. In 2015, LGA introduced a framework to monitor councils using thirty-four measurable indicators, one of which was how many councils had formed WDCs.162

A 2014 report by Transparency Maldives noted that there were 61 WDCs registered with LGA at the time and that most WDCs were guite active, with 70 per cent of the WDCs interviewed having weekly meetings. Most WDCs noted receiving support from island councils, but this was mainly limited to administrative support (such as provision of office space or use of office computers, fax machines, or phones). Fifty-five per cent of WDCs reported not being consulted in matters related to island development.<sup>163</sup> which is in violation of the Decentralisation Act.

WDC members expressed a lack of confidence in their own knowledge of the Decentralisation Act, although they felt that they possessed enough knowledge about their own mandate.

- 156 Article 35, Decentralisation Act
- 157 Article 37. Decentralisation Act.
- 158
- Article 5, WDC Regulations. Minivan News. 2012. Women's development committees elected amid low turnout, <u>https://minivannewsarchive</u> com/news-in-brief/womens-develop ment-committees-elected-amid-low-turn-
- 160 IEES 2014 Women's Empowerment in Political Processes in the Maldives, p. 20, https://www.ifes.org/sites/default/files/ ifes womens emp nent in politi processes\_final\_0.pdf

#### Published data gives combined results for

- 162 all 35 indicators only 163
  - Transparency Maldives. 2015. Assessment of Women's Development Committees in the Maldives. p. 12, http://transparency.mv/files/ media/9cf640937386789db4c8b82b-78bad815.pdf





The report also included some recommendations that were put forward by WDC members themselves, specifically that: (a) Men should be able to vote for the WDC election to ensure inclusivity (suggested by 89 per cent of participants of the study), (b) WDCs should be provided training and capacity building avenues on skills such as proposal writing, budgeting, fundraising, and community mobilisation, (c) Island councils must increase consultation with WDCs.

Both studies highlight the gap in the current system, with no specific institution devoted to enhancing the capacity of WDCs.

Since the enactment of the Decentralisation Act, at least two amendments have been proposed regarding WDCs. In 2013, an opposition member submitted an amendment to include the chair of WDCs in island councils. In 2014, the government submitted a proposal to abolish WDCs and form Women's Development Advisory Committees in their stead.<sup>164</sup>

164 Minivan News. 2014. Government proposes abolishing women's development committees, https://minivannewsarchive. com/politics/government-proposes-abolishing-women%E2%80%99s-development-committees-81252

# 4.3 LOCAL COUNCIL ELECTIONS ACT

In addition to the Decentralisation Act, the Local Councils Elections Act, which was ratified on 29 July 2010, is also an important piece of legislation in the decentralisation framework.

President Nasheed refused to ratify the first bill on the Local Council Elections Act that was approved by the parliament.165 The main reason he refused was the law stated that only those who were living in their island could vote in local elections, and remote voting was not an option initially.<sup>166</sup> The bill was again debated in the parliament and this particular article was subsequently amended. Key articles of the Local Councils Elections Act include:

- Article 4(a) and (b): Elections Commissions must make arrangements for all Maldivians in the country and those living abroad to take part in the local council elections.
- Article 8: The population registered at a • particular administrative region as of 31 December 2009 is to be used as the chief factor into designating city status and determining the number of councillors in the first local council election.
- Article 9(a): Elections Commission must announce a call for candidates for the first local council election within forty-five days of enactment of the Local Council Elections Act.<sup>167</sup>
- Article 11: Elections must be held . within twenty-eight days of the call for candidates made by the Elections Commission
- Article 15(b): Each candidate must submit a deposit of MVR 1,500.168
- Article 15(c): An independent candidate can only participate with signatures of at least fifty people from their constituency.
- Article 19: Official results must be announced within fourteen days.

# 4.4 AMENDMENTS TO THE **DECENTRALISATION ACT**

Since passage of the Decentralisation Act, a total of seven amendments have been ratified, and many more amendments have been proposed. Two amendments were passed in 2010, four amendments in 2015 and one amendment in 2017.

The first amendment to the Decentralisation Act was passed on 9 September 2010, only four months after the passage of the Act. This amendment removed Article 136(b) from the Act, which stated that inhabited islands that are geographically a single island, but had been historically administered as two different islands will (after passage of the Act) have one island council for the entire island, and furthermore will have ward boards under the island council. The amendment removed this article, effectively removing these ward

boards and created two islands councils in such situations.

The second amendment to the Decentralisation Act was the inclusion of Article 119, which stated that councillors who were elected on a party ticket will lose their position as a councillor if they were either removed from the political party or resigned from the party. This was ratified on 17 January 2011. However, this was contested in 2012 claiming this was in conflict with the constitutional rights of all Maldivians (aged above eighteen years) to run for public office or be a member of any political party of their choosing.<sup>169</sup> In December 2012, the Supreme Court revoked the newly added Article 119 of the Decentralisation Act, allowing councillors to change party membership.<sup>170</sup>

The third amendment was put forward in June 2015 and relates to the powers of city councils. This bill proposed that public services provided by a city council to the community will be determined by the president. The amendment was submitted to the parliament on 4 June 2015,<sup>171</sup> approved by the parliament and subsequently gazetted the next day.<sup>172</sup> The amended article now states that any public service that the president deemed that the city council shall not provide will be transferred to the relevant ministry. This amendment was issued after a year of separate instructions from the government to Male' city council on separate issues, which removed Male' city council's powers gradually.173

The President then issued a decree on 23 July 2015, which listed the revised powers and responsibility of city councils (see Table 9 and 10). This effectively reduced the mandate of the two established city councils, Addu and Male' city councils, considerably.

The decision by the government to reduce the powers of city councils was criticised as a targeted move against the main opposition party, MDP, who had always won majority seats in both city councils.<sup>174</sup> The decision was also criticised for leaving little authority and decision-making power in the hands of these elected bodies.175

In September 2016, Fuvahmulah in Gnaviyani atoll was designated a city.<sup>176</sup> The powers of Fuvahmulah City Council were also officially announced by the President on 28 May 2017, which were in effect identical to the now severely curtailed roles of Addu and Male' city councils.177

It is interesting that this amendment only specified that the president will determine the responsibilities of the city councils. The public services of atoll and island councils were not discussed and remain to be determined by the discretion of parliament. As the law now reads, the mandate of city councils can now be changed at any time by presidential decree, posing difficulties for cities in terms of

#### 165 Minivan News, 2010, President ratifies Decentralisation Act, <u>https://minivan-</u> newsarchive.com/politics/president-rati

-act-166 As an indication of the scale of this As an indication of the scale of this particular point, during the Population and Housing Census conducted in 2006, 33% of Maldivians reported that they had migrated to another island at least once in their lives (http://statistic ives.gov mv/nbs/wp-conte mv/nbs/wp-content/uploads/2006/1. analysiscd/#, p. 46). Also, in the 2008 Presidential Election, Elections Commis-sion invited eligible voters to re-register if they will vote in a location other than their place of permanent registry. For

that election, twenty-five thousand voters re-registered to vote in Male from the total 208,252 registered voters (http://transparency.mv/wp-content, uploads/2013/12/Presidential-Parli mentary-Local-Council-election-repo

#### -Local-Council-election-reports. df, p. 81).

- The election was announced on 1 167 November 2010.
- 168 The deposit for a candidate in parliamen tary election is MVR 5,000 (Article 10b, Parliamentary Elections Act 2/2009), and for a candidate in Presidential Election is MVR 40,000 (Article 9, Presidential Elections Act).
- Articles 26(c) and 30(a) of the 2008 169 Constitution. Supreme Court Ruling 2012/SC-C/13, 4
- 170 December 2012. 171 Minivan News. 2015. PPM MP proposes removing Male' city council's powers,

# https://minivannewsarchive.com/politics/ ppm-mp-proposes-removing-male-city-councils-powers-99159

- Law 15/2015, third amendment to the Decentralisation Act.
- Interview with Shamau Shareef, Deputy 173 Mayor of Male' City Council. Interview with Naish Ahmed.
- 174 Interview with Ahmed Shukree
- Maldives Independent. 2016. Fuvahmulah declared Maldives' third 176 city, http://maldivesindependent.com/
- politics/fuvahmulah-declared-mal-dives-third-city-126687 Maldives Independent. 2017. President 177 restricts powers of Fuvahmulah city coun cil, https://maldivesindependent.com/ politics/president-restricts-powers-of-fu-vahmulah-city-council-130868

development planning as they operate under the risk of their mandate being frequently changed.

In October 2015, the salaries of Male' and Addu city council members were reduced by more than 50 per cent.<sup>178</sup> The total income for mayors (salary and living expenses included) was reduced by 60 per cent, while deputy mayors had their salaries cut by 55 per cent. The remaining council members saw a decline of 47 per cent.

During the parliamentary debate, progovernment parliamentarians said that most municipal services of city councils have now been transferred to government ministries, leaving these councils with fewer responsibilities than before.

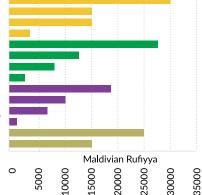
### FIGURE 1 : SALARIES AND ALLOWANCES FOR CITY **COUNCILLORS, AS REVISED IN OCTOBER 2015**

Previous salary for mayor Revised salary for mayor Previous living allowance for mayor Revised living allowance for mayor Previous salary for deputy mayor Revised salary for deputy mayor Previous living allowance for deputy mayor Revised living allowance for deputy mayor Previous salary for city councillors Revised salary for city councillors Previous living allowance for city councillors Revised living allowance for city councillors Maximum salary for atoll councillors Maximum salary for island councillors

#### **SOURCES:**

Local Government Authority, 6 October 2015 Maldives Independent, Parliament approves pay cuts for city councillors, 12 October 2015

- 178 Fuvahmulah was not vet decreed as a city at this point in time.
- 179 Article 16. Interview with MP Ali Hussain 180
- 181
- Voting was not required for other elec-tions if there was only one candidate or if the situation in the amendment applied. 182 Maldives Independent, 2015, Council by-elections cancelled after president ratifies changes to decentralisation law, http://maldivesindependent.com/politics council-by-elections-cancelled-after-pres-ident-ratifies-changes-to-decentralisaent-ratifies-changes-to-decentralisa-on-law-115948
- Ibid. 183 184
- In accordance with powers vested with the President. Registered population of Fuvahmulah 185 as at 31 December 2014 was 12,012 (National Bureau of Statistics, Statistical
- Yearbook of Maldives 2017). Maldives Independent. 2016. 186 Fuvahmulah declared Maldives' third
- city, http://maldivesindependent.com/ politics/fuvahnulah-declared-mal-dives-third-city-126687 187 Maldives Independent, 2016, Council posts down to 653, http://maldivesin-
- dependent.com/politics/council-posts-down-to-653-127378 Statistical Yearbook of Maldives 2010 188 published by previous Ministry of Planning and National Development.



The fourth and fifth amendments to the Decentralisation Act were passed three weeks apart in July 2015 and were to do with holding by-elections for vacant posts of council members during the middle of the term. In the initial Decentralisation Act, if a council member's position is vacant for any reason, then a new member must be elected within forty-five days, and the new member is eligible to remain until the end of the ongoing term.<sup>179</sup> The amendments added clauses that such by-elections would only be held in the first year of the council's term, unless it was a situation where a new member needed to be elected to fulfil quorums for council meetings. The fourth amendment referred to atoll council elections, and the fifth amendment referred to island council elections.

The rationale for these amendments was the high-cost of holding elections and hence to save state resources.<sup>180</sup> According to the Election Commission's 2015 annual report, there were eighteen by-elections for that year alone, for which six required voting to be held.<sup>181</sup> By-elections reportedly costs between MVR 50,000 and MVR 60,000 every time.182

However, these amendments were passed in the middle of campaigns for at least three by-elections. The fifth amendment

regarding island council by-elections was passed on 29 July 2015. On that same day, the Elections Commission issued a news release and cancelled the by-elections planned for 1 August 2015 for HA. Dhidhoo, HDh. Naavaidhoo, and N. Henbadhoo.<sup>183</sup> Such last-minute amendments can be disheartening for those who wish to take part in local government affairs or community development. In this particular instance, candidates lost time, effort, and money campaigning for the posts.

The sixth amendment to the Act was brought about in December 2015 and entailed several changes. One was to reduce the number of councillors per council. Islands with a population of less than 3,000 would have three members rather than the previous composition of five members. Islands with a population of more than 3,000 saw a reduction in the number from seven to five. Atoll councils are based on the parliamentary constituency, and this was reduced from two members per constituency to one. And if the entire atoll had only two parliamentary constituencies, then they are to have three atoll councillors. In addition, the minimum threshold for an island or area to be considered as a city was reduced from 25,000 to 10,000.

Following this amendment, a presidential decree was issued on 22 September 2016 declaring Fuvahmulah as a city.<sup>184</sup> The amendment to lowering the threshold for the population of a city was primarily brought to include Fuvahmulah as a city,<sup>185</sup> in efforts to reduce the overall number of councillors in the country as part of government's austerity measures. Under the previous categorisation, Fuvahmulah had thirty councillors (three island councillors for each of its eight wards and six councillors for the atoll council). After being declared as a city, the number of councillors for this single island was reduced to three.186

The overall impact of the sixth amendment was a reduction in the total number of councillors from 1,095 to 653.187

The island of HDh. Kulhuduffushi with a registered population of 9.366 in December 2014<sup>188</sup> is likely to be eligible for city status soon, which will create a new scenario where a city council office and an atoll council office may operate on the same island for the first time.

The seventh amendment brought about changes to the Local Government Authority Board. The number of board members was reduced from nine to four and the representatives selected from amongst the councillors on the Board were removed. (The changes to the composition of the LGA board is explored in more detail in Section 5.1.)



When the Decentralisation Act was debated and eventually passed in 2009, it was decided that some administrative divisions of country would be designated as cities for the purposes of electing local councils.189 It was envisioned that these city councils would be supported by ward boards, as opposed to the two-tier local government framework of island councils and atoll councils in other areas.

Another difference between city and island councils is that the law states that the development plan of the city will be produced by the relevant government ministry, albeit in full consultation with city councils and residents of the city, whereas in the case of islands, it is stated as a responsibility of the island council to produce their own development plans.<sup>190</sup> Other than this, the powers and responsibilities of city council are similar to island and atoll councils. However, the proportion of population living in a city is higher than that of the average island.

When the Act was passed in 2010, two areas were declared as cities: Male' and Addu. In 2016, Fuvahmulah was declared to be a third city.<sup>191</sup> The table below gives the registered population and census population of these three areas in 2014.

The registered population is considered for voting purposes and by this consideration, one-third of the population lives in a 'city'. The census count gives closer proxy of where people are currently living after internal migration movements. Thus, as can be seen in the table above, close to half the local population is living in a city. When

#### **TABLE 4 : POPULATION** OF MALE', ADDU AND FUVAHMULAH IN 2014<sup>[192]</sup>

NAME OF CHAPTER	REGISTERED POPULATION AS AT 31 DEC 2014	CENSUS POPULATION 2014
Male' (including temporary residents- dhafthar)	65,667	133,412
Fuvahmulah	12,012	8,095
Addu	32,057	19,829
Total population of the three areas	109,736	161,336
Total population of Maldives	357,566	344,023
Percentage of population living in a city	30.7%	47%

expatriate population is taken into account, it can be stated that more than half of total persons living in the Maldives are living in a 'city'.

Given this fact, two issues or trends that have developed over the past years are a cause for concern when evaluating the progress of decentralisation within cities in the country. The first issue is the curtailing of the powers and responsibilities of city council as stated in the law. The second is the low and falling voter turnout in city council elections compared to any other elections in the country.

#### (I) REMOVAL OF POWERS OF **CITY COUNCILS**

In June 2015, the parliament passed the third amendment to the Decentralisation

- Article 3, Decentralisation Act 7/2010. Articles 41 and 23, Decentralisation Act 190
- 7/2010 191
- President's Office Declaration 2016/7, 22 September 2016. National Bureau of Statistics. 2006. Cen-192
  - sus 2006, http://statisticsmaldives.zov. mv/yearbook/2016/wp-content/uploads/ sites/2/2016/10/3.3.pdf

Act, which stated that the powers and responsibilities of city councils would hereafter be determined by the president in consultation with the cabinet. Less than three weeks later, the President's Office issued the revised powers and responsibilities of city councils.<sup>193</sup>

Throughout this process, the state removed city councils' powers relevant to road maintenance; waste management; harbour maintenance and ferry terminal management; tackling erosion issues; provision of utilities such as water, sewerage and electricity; primary healthcare and running pre-schools; maintenance of public/ children parks; and subletting or acquiring land, reef, or lagoon for investment purposes. Services that remained included registration of births and deaths, registration of foreigners, and maintenance of cemeteries in the respective city.<sup>194</sup>

In the case of Male' city council, the powers and responsibilities were specifically removed prior to amending the Act. For instance, in 2014, Dharubaaruge (convention centre in Male') previously used by the council to generate revenue by renting out halls was taken over by the government. Later that same year the mandate of Male' redevelopment work was changed to Housing Ministry, and in 2015 the government informed the council that road development work would be carried out by the Ministry. Similarly, overseeing all cemetery related issues was also taken from the council. In 2015, Male' city council received a letter informing that they no longer had the mandate of developing vehicle parking spaces in Male'. According to the Deputy Mayor of Male' city council, these separate instructions were issued to the council prior to the third amendment to the Act in June 2015.

This amendment has left city councils with very little work to do and is essentially a step backwards in decentralisation, as previously devolved powers to local governments were transferred back to the central government. Furthermore, the amendment to the law now reads that the responsibilities of the council can be changed by the Executive, whereas previously the powers of the council were stated and protected by law.

During parliamentary debates, progovernment parliamentarians argued that city councils were not using their resources for the betterment of Male' and were instead prioritising their premises and other resources for their own party activities.<sup>195</sup> This begs the question of how stringently councils are monitored and if more transparent guidelines on the use of resources can be introduced to circumvent misuse of resources by councils. This might be a better strategy for making decentralisation effective, as opposed to removing or adding to the councils' powers and resources on a whim depending on their performance or party alignment with the ruling government.

### (II) LOW VOTER TURNOUT FOR CITY COUNCIL ELECTIONS

Voter turnout in local council elections is low in comparison to all other elections held in the Maldives. In addition, the turnout for cities has been lower than the national average in these elections.

# TABLE 4 : VOTER TURNOUTNATIONALLY AND FOR CITIES.

2011 Local Council Election	72.11%
2014 Local Council Election	65.52%
2017 Local Council Election	65.68%
2011 Local Council Election - cities only	52.63%
2014 Local Council Election - cities only	35.87%
2017 Local Council Election - cities only	47.3%

One possible reason for the lower turnout in local council elections is that the high level of internal migration within the country decreases the vested interest of constituents with regard to the composition of the local government in their community of origin. The Elections Act states that people must vote for the municipal council in their registered permanent residency, as opposed to their place of residence, regardless of considerations such as how many years have passed since they have resettled, if they have purchased or developed property, or are married to someone from another island.<sup>196</sup> Male' is the main urban centre of the country and has attracted a strong flow of migrants over the years. In 1995, 45 per cent of the population in Male' was migrants from other islands. By 2006, this figure had risen to 53 per cent.<sup>197</sup>

A related issue is that despite Hulhumale being a ward of Male', this area has never been under active involvement or oversight of any elected Male' city council. The municipal services and all planning and development activities of this ward are entirely overseen by a state-owned corporation, the Housing Development

- President's Office Announcement 2016/9, 11 May 2016.
   Maldives Independent, 2015. A co
- 2010/9, 11 May 2010.
   Maldives Independent. 2015. A council in name only, <u>https://maldivesindependent.com/feature-comment/a-council-inname-only-116137/comment-page-1</u>
- name-only-110137/Comment-page-1 9 Minivan News, 2015. PPM MP proposes removing Male' city council's powers, https://minivannewsarchive.com/politics/ ppm-mp-proposes-removing-male-citycouncils-powers-99159 196 Interview with Ahmed As-ad, former State Minister for Finance and Treasury.
- 196 Interview with Anmea As-aa, former State Minister for Finance and Treasury. See also: Chandrasekharan. S. 2014. Maldives: Local Council Elections and other Developments, http://www. southasiaanalysis.org/node/1449. It was previously recommended by Transparency Maldives in its report Domestic Observation of Local Council Elections 2011 that this needed to be amended in the Local Elections Act.
- 197 Ministry of Planning and National Development. 2006. Analytical Report 2006: Population and Housing Census 2006. p. 49, http://statisticsmaldives.gov mv/nbs/wp-content/uploads/2006/12/ analysiscd/#

Corporation (previously Hulhumale **Development Corporation**). In recent years the government has widely encouraged more of the population to move to Hulhumale, with estimated targets of up to 70 per cent of the country to eventually reside in Hulhumale.198

Due to a combination of the government encouraging migration and migrants not being allowed to change their voting constituency, there may be further drops in voter turnout in city council elections. This falling interest by citizens of cities to take part in their local elections need to be addressed. Reviews of electoral regulations need to be conducted in addition to awareness campaigns targeting city populations.

# (III) OTHER ISSUES FACED BY **CITY COUNCILS**

Male' city council has been evicted twice from their official premises since 2015. In April 2015, the government expelled Male' city council from their original office, G. Billoorijehige, where the secretariat of Male' city council was located at and was allocated space within Huravee Building. The poor condition of this newly allocated office space posed health and safety risks to council staff and the council notified relevant authorities regarding the inappropriate working conditions. Both the Civil Service Commission and Health Protection Agency also raised

concerns over the poor conditions of the office space. While these issues were being raised, the government locked down the new premises without notifying Male' city council in advance, and also whilst the building still had the council's assets and equipment inside. From this point onwards, Male' city council staff operates from their waste management office site. Reportedly the equipment inside Huravee Building has not been returned. Due to lack of space in the current premises, Male' city council staff share one table among six staff, and one computer among three staff.

In 2013, Addu city council acquired the equipment necessary to issue driving licences for vehicle users in Addu and this proved to be a significant source of revenue for the council. Coupled with the rent they earned from land under their name, the council enjoyed a significant amount of revenue. The council also tried to raise revenue by issuing the mandatory annual stickers for vehicles. In 2013, the government arranged for all transport related services to be provided by an office of the Transport Authority, which was opened in Addu. The police also started refusing to accept the stickers issued by Addu city council. Land under Addu city council was also taken away during this time. Due to no longer being able to provide rent and transportation services, 90 per cent of the revenue earned by the city council dropped.

### 4.5 SOME PROPOSED CHANGES TO THE DECENTRALISATION ACT

Since the promulgation of the Decentralisation Act, various amendments have been proposed to the Act, some of which have been debated in the parliament. One model proposed and discussed in the parliament was a system whereby the presidents and vice presidents of councils would serve as full-time members, whereas other council members would serve as parttime members. The underlying rationale was to reduce state expenditure as part-time members would be paid less; furthermore, it was also argued that such a system would attract more educated and professional persons of higher calibre to the councils who would be more willing to serve in an advisory capacity whilst serving in their chosen profession simultaneously.<sup>199</sup> The proposal to have a mix of part-time and full-time councillors was also proposed by the LGA, in January 2014.200

It was also proposed by a parliament member to reserve a seat in all island councils for the

presidents of WDCs and to include measures that would make it incumbent on island councils to consult and provide more support to WDCs than what occurs in practice currently.

Another amendment proposed in 2016 by a parliamentarian from the ruling party at the time was to increase the term of local councils from three years to five years.<sup>201</sup> The term of local councils is stipulated in Article 231 (c) of the Constitution and reiterated in Articles 12, 29, and 46 of the Decentralisation Act.

In the thirty-eight interviews conducted for this research, all councillors noted that the Decentralisation Act was adequate and suitable. The only suggestion put forward for amendment (in the phone interviews) was to increase the term of councils from three years to five years.

Ministry of Finance and Treasury also noted that increasing the term of councils will reduce state expenditure on elections and also a longer term may yield greater results in development efforts.<sup>202</sup> However, it was pointed out by a member of parliament that

- 198 Maldives Independent 2015 Population consolidation keystone of 2016 state budget, http://maldivesindependent.com/
- politics/population-consolidation-k stone-of-2016-state-budget-1198 stone-of-2016-state-budget-119844 Minivan News. 2014. Government
- proposes changes to local government model, https://minivannewsarchive.com/ politics/government-proposes-chang-es-to-local-government-model-2-80984
- This is a suggestion that was repeatedly put forward by interviewees, including some councillors, for this report. Minivan News. 2014. LGA recommends 200 making Councilors part-time, https://
- minivannewsarchive.com/politics, Iga-recommends-making-council-Iors-part-time-76501 201 Maldives Independent. 2016. Parliament considers five-year terms for local coun-cils, https://maldivesindependent.com/ politics/parliament-considers-five-year-
- 202 Email from Ministry of Finance and Treasury, 17 July 2018.

shorter terms are included as a means of increasing accountability to constituencies.<sup>203</sup>

LGA has also raised their concerns regarding the short lifespan of councils.<sup>204</sup> It was noted that since most of the newly elected councillors do not have much technical capacity in financial management, the efforts aimed at capacity-building is wasted when councillors are renewed every three years. To address this, LGA submitted a recommendation to have staggered elections for local councils, whereby all members are not renewed at the same time so as to maintain institutional memory and quicken the pace of development. This proposal was rejected by the parliament in 2016.<sup>205</sup>

However, twenty-three councillors noted that the main issue with the Decentralisation Act was that it was not implemented in its entirety. For instance, councils are not allocated enough funds to carry out the duties and responsibilities specified in the Act. Furthermore, there are restrictions in other laws and procedures that limit their powers (these limitations are explored further in Section 6.3 Alignment with Other Existing Legislations).

In recent years the pro-government members of parliament have proposed amendments and made comments during debates expressing a preference for a centralised form of administration. In June 2017, the government proposed to abolish local councils in islands with populations fewer than 500 people.<sup>206</sup> During the parliamentary debates in June 2017 on the above amendment, some pro-government parliament members were of the opinion that the previous model of appointing island and atoll chiefs, as opposed to electing councillors, was a more suitable model for the Maldives.



- 203 Interview with MP Mohamed Aslam.204 Interview with CEO of LGA, Mohamed
- Shafeeq Mahmood 205 Maldives Independent. 2016. Parliament considers five-year terms for local councils, <u>http://maldivesindependent.com/</u>
- politics/parliament-considers-five-yearterms-for-local-councils-125857 206 Maldives Independent. 2015. PPM seeks to limit elected councils to populous islands, http://maldivesindependent.com/ politics/ppm-seeks-to-dissolve-electedcouncils-in-small-islands-100584





# **CHAPTER 5: LOCAL GOVERNMENT AUTHORITY**

The Local Government Authority (LGA) was established on 4 August 2010 under the Decentralisation Act to monitor and coordinate the work of local councils. The responsibilities of the LGA as per the Act include ensuring that the activities of councils are aligned with the Constitution and laws; monitoring the work of councils to ensure consistency with regulations; determining the jurisdiction and boundaries of individual councils; and finally, identifying training needs and conducting trainings.<sup>207</sup> The LGA is overseen by a board and their day-to-day affairs are overseen by a chief executive officer.

The LGA was established six months before the first local elections were held in the country. At the time, there were approximately ten staff in the institution. The LGA has now grown to an institution comprising of forty-one staff in 2017. Their main functions include training, legal support and services, monitoring and evaluation, and planning and administrative departments. The distribution of their staff as per departments is illustrated in their organisation chart below.<sup>208</sup>

#### CHART 1: **ORGANISATION CHART OF LGA AS** AT OCTOBER 2017

#### 5.1 LGA BOARD AND THE SEVENTH AMENDMENT

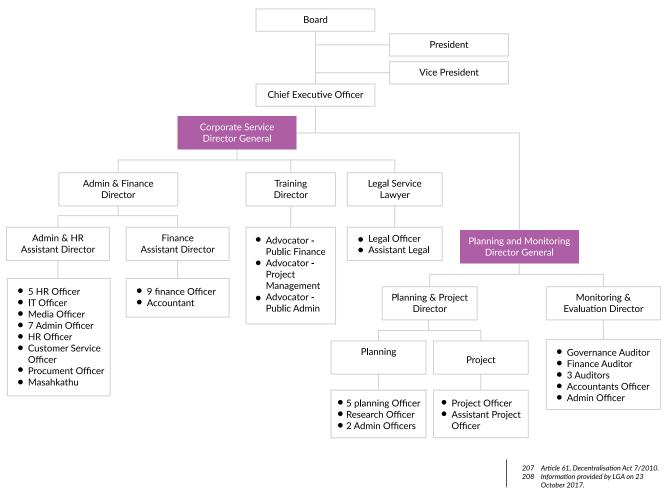
In 2017, the seventh amendment to the Decentralisation Act was passed. This amendment changed the composition and appointment procedures of the LGA board and the appointment of the chief executive officer (CEO). The table below compares the previous and current composition of the LGA.

# TABLE 6.

# CHANGE IN THE COMPOSITION OF LGA

PREVIOUS COMPOSITION OF LGA	NEW COMPOSITION OF LGA
<ul> <li>Minister</li> <li>A representative from Male' city council</li> <li>Four representatives elected from atoll councils (by vote amongst atoll councils)</li> <li>A representative from NGO appointed by parliament</li> <li>An individual from public</li> </ul>	<ul> <li>Minister</li> <li>Gender equality expert (must be a female)</li> <li>NGO representative</li> <li>Governance/public administrative</li> <li>expert</li> <li>Chief Executive Officer (CEO)</li> </ul>

- A representative from city
- councils (elected by city councils)
- appointed by parliament



The overall number of LGA board members was reduced from nine to five. The initial composition allowed the inclusion of council members, allowing representatives to present issues on behalf of all councillors, whereas the new composition removed all council members from the board.

The representative from an NGO and the individual from the public who sat on the LGA board previously had been selected by the parliament and had been appointed from a pool of candidates who responded to the parliament's public announcement for the relevant vacancies.<sup>209</sup> The seventh amendment revised the appointment procedures so that the NGO representative, the gender equality expert, and the governance expert would be nominated by the president, from applicants who responded to a public announcement by the President's Office. Under the current selection procedure, the president selects a candidate and submits their name to the parliament for approval. The term of the LGA board is also five years now.

The amendment also introduced prerequisites for the post of CEO encompassing experience and educational qualifications. This includes a minimum of first degree in a relevant field as well as ten-year experience in a managerial position. The CEO was also added as a permanent member of the board, which had not been the case previously. The inclusion of the CEO in the LGA board was noted to be a positive step.

Another notable change brought about by the amendment is that the appointment and dismissal of a CEO is at the discretion of the president, whereas previously, candidates for this position were evaluated and appointed by the LGA board. Under the amendment currently in effect, the president has no obligation to evaluate the candidate and furthermore there is no criteria for dismissal, again leaving the discretion in the hands of the executive. In effect, the appointment process for CEO of the LGA is identical to that of any other political appointee.

The amendment also changed the appointment process in selecting the president and vice president of the board. The initial articles of the Act stated that the president and vice president must be selected by a secret vote amongst all appointed members within the LGA board.<sup>210</sup> The amendment states that the president of the LGA would thereafter be a minister appointed by the Executive, and the vice president would be elected by the board, with the exemption of the CEO. Electing the minister as the chair of the LGA board was a recommendation raised in 2010 by the then Attorney General as well, immediately after the passage of the Act.<sup>211</sup>

In practice, the minister who has been represented in the LGA has mainly been the

Minister of Home Affairs, though there have been exceptions. Furthermore, the appointed minister has always been the president of the board.

Three CEOs have served in the LGA since its inception, and several ministers have now chaired its board.

According to the LGA's first CEO, the government's level of attending to the issues and challenges faced by the LGA had been contingent on the prominence of whichever minister was serving on the cabinet at that particular time.<sup>212</sup> The removal of councillors from the board was viewed by both the previous and the current CEO as a necessary step for two main reasons: discussions of matters directly concerning councillors were often difficult to resolve in the presence of councillors; and the significant costs involved in arranging the travel and accommodation of the four elected councillors for the monthly or bimonthly board meetings.<sup>213</sup> The LGA had attempted to remedy this in the past by proposing to hold board meetings via teleconference, but the councillors were not amenable to this solution, wanting to attend in person.214

### 5.2 TRAINING OPPORTUNITIES

As an essential and core part of its mandate, the LGA has been providing training for councillors since its inception. With regard to this, an important responsibility of the LGA has been the orientation they provide for newly elected councillors soon after the councillors are sworn in. The approach adopted by LGA after each of the three different rounds of elections has been different.

In 2010/2011, the LGA had a total staff capacity of five employees, thus the orientation for the newly elected 1,091 councillors across the country was completed with the assistance of other institutions. The LGA hand-picked a team of experienced facilitators from other state institutions, who underwent an intense training of trainers intended to familiarise them with all relevant topics, laws, regulations, and procedures.

The trainers were then dispatched to all atolls, in teams of two facilitators per atoll to cover all islands in that respective atoll. In this manner, all councillors, 210 atoll and island councils, were trained within a month.<sup>215</sup> The President's Office also gave close attention to ensure that this orientation program was quickly and successfully rolled out.<sup>216</sup>

For the second term of elections in 2014, the LGA sought the support of police personnel to conduct trainings. These trainings for all councillors were also completed within one month.<sup>217</sup>

The orientation training for the third round

- 209 See, for example, when parliament announced for applicants for LGA board in 2014: http://english.sun.mv/22828
- 210 Article 63. 211 Interview with Husnu Al Suood, former
- Attorney General. 212 Interview with Ahmed Shukree, former
- CEO of LGA. 213 Interviews with Ahmed Shukree, former CEO of LGA, and Mohamed Shafeeq Mahmood, current CEO of LGA, who noted that the board meeting cost amounted to MVR 40 000 ner meeting
- MVR 40,000 per meeting. 214 Interview with Ahmed Shukree. 215 Interview with Ahmed Shukree. This was supported by Fathimath Habeeba, Director at CST1 and Mohamed Naseer
- Director at CSTI, and Mohamed Naseer,
   Director of Training at LGA, who were both trainers for this batch.
   216 Interview with Mohamed Naseer, Director
- of Training, LGA. 217 Interview with Ahmed Shukree.

of councillors who took their oaths in June 2017 has not been delivered as planned by the LGA at the time of this research. This time the LGA had intended to utilise its own staff for trainings.

However, the budget requested for training, calculated on the basis of previous experiences, was not approved. The LGA then considered different approaches, such as bringing all councillors to Male', (since by then the number of councillors had been reduced to about 600), or alternatively to have training in strategic locations throughout the country, such as atoll capitals and bring the councillors to these locations, minimizing the travel of LGA teams. But all these options were still decided by MOFT as too costly and were not approved.

By the time the new councillors were sworn in, the LGA had decided to develop an online training platform to reach out to all local councillors, with the technical support of the National Centre for Information Technology. This platform had not been completed at the time of research for this report.

Given the delay in the delivery of the orientation programs, the LGA then offered to deliver the training to any council that could bear the costs of the entire training including travel and accommodation of LGA facilitators and any other expenses related to the three-day orientation program. This was not a foreseen expense for councils and therefore not budgeted by any council. However, some atolls responded, and in this way nine atolls<sup>218</sup> (and the island councils contained therein) have now received an orientation program for the councillors elected in 2017.<sup>219</sup>

The LGA noted that the level of training designed for each council was different and had been customised on the basis of training needs assessments (TNAs). The LGA had carried out two such TNAs over the past years. The LGA noted that in general councils were receptive towards trainings, though one notable exception was the Male' city council, who were uncooperative.

The delay in the 2017 orientation program was criticised by some of the interviewees for this research.<sup>220</sup> Some interviewees further suggested that these orientations should occur soon after the elections rather than after the councillors actually take their oaths, so that they can assume their office and its attendant responsibilities without interruption.<sup>221</sup>

The LGA does receive support for their training and capacity building efforts from external organisations. In this regard, donors who provide assistance include the UNDP, UNICEF, and Kuwait Fund.<sup>222</sup> Other training partners include JICA and the government of India. Under these arrangements, LGA staff usually attend trainings or study trips abroad. However, some LGA staff criticised the utility

of these study tours on the basis that the frameworks for decentralisation used in these countries differed to that of the Maldives.<sup>223</sup>

In 2016, the Chinese government pledged to provide technical assistance to develop decentralisation in the Maldives.<sup>224</sup> As part of a training program, a team of twenty-three participants, consisting mainly of councillors, travelled to China in 2017 for a three-week program.

Apart from the LGA, other government institutions also conduct one-off workshops to build capacity of councillors in relevant technical areas. In addition, UNDP has worked with the LGA in the development of training materials and in implementing training programs.<sup>225</sup>

During 2012-2014, the previous minister for Atolls Development, Mohamed Waheed Deen, set up a training institute in Bandos Island Resort and Spa. This was a separate institution wholly devoted to enhancing the skills of newly elected councillors. The Civil Service Training Institute also welcomes councillors in their training sessions targeting civil servants, if councillors express interest and slots are available.

In the research conducted for this report, councillors were asked three questions with regards to their overall training experiences, including their views on the training provided by the LGA. Out of thirty-six councillors, seven had not yet attended any training.<sup>226</sup> These respondents were newly elected councillors excluding one who was elected in 2014.

Those that had attended the LGA trainings said that it was very useful and relevant. They highlighted that it was useful to familiarise themselves on topics such as the Decentralisation Act and Public Finance Act, as well as finance management and procurement procedures.

Box 6 analyses other major organised training opportunities for councillors that are either ongoing or took place between 2010 and 2017.

- 218 As of October 2017.
- As of October 2017.
   Interview with Mohamed Naseer.
   Interviews with MP Ali Hussain and Shamau Shareef, Deputy Mayor for Male'.
- Shamau Shareet, Deputy Mayor for Male
  Interview with MP Ali Hussain.
  Interview with Azhath Rushdhy, Director of Projects and Planning. Support from
- of Projects and Planning. Support from these donors are also noted in the audited financial reports (2012-2016) of the LGA. 223 Interview with Mohamed Naseer. 224 PSM News. 2016. China to assist Mal-
- 224 PSM News. 2016. China to assist Maidives develop decentralised governance, http://psmnews.mv/en/news/17521-china-to-assist-maldives-develop-decentralised-governance 255 Evdhafushi Times. 2015. Baa Atoll
- 225 Eydhafushi Times. 2015. Baa Atoll Council's Vice President in China for training program, <u>http://www.eydhafushitimes.com/english/news/826/. See also: https://twitter.com/lgaMaldives/ status/880458032299114501
   226 This question considered trainings re</u>
- 226 This question considered trainings received after being elected as a councillor. Some said they attended LGA training as a civil servant and were able to comment on the quality of training.



# **BOX 6:**

## TRAINING AND CAPACITY DEVELOPMENT **EFFORTS BY OTHER INSTITUTIONS**

#### (I) INSTITUTE OF GOVERNANCE AND DEVELOPMENT 2012-2014

The Institute of Governance and Development (IGD) was an institute founded by the previous minister of Atolls Development, Mohamed Waheed Deen, and operated from 2012 to 2014 in Bandos Island Resort. The institute was developed to complement the trainings organised by the LGA and focused on developing leadership skills of councillors and to provide an avenue for them to network with each other.

Councillors interviewed for this report who had attended IGD trainings noted that it was more relevant and thorough than any other that they had attended and greatly assisted them when they began their duties. In elaborating on why they found the training so helpful, they expressed that the sessions were more practical and that the lecturers were more experienced. They noted in particular the usefulness of personal development sessions focusing on skills such as communication, leadership grooming, and effective presentation. They also highlighted that the training was an excellent opportunity for networking with one another as councillors from various atolls and islands were living in close proximity for three weeks. Overall, all the interviewees who had attended a training at this institute spoke positively regarding the relevance and utility of the program and expressed that it was important that this or a similar program targeting newly elected councillors should continue.

### (II) CIVIL SERVICE TRAINING INSTITUTE

The Civil Service Training Institute (CSTI)

was formed in 2010, two years after the formation of the Civil Service Commission. Prior to this, there were no formal training programs for public servants. Now the CSTI carries out a timetabled schedule of trainings, both in Male' and in selected locations across the country.<sup>227</sup> The CSTI has entered into a memorandum of understanding (MOUs) with some atoll councils to facilitate trainings that are conducted in the islands. These MOUs assist in outlining the responsibilities of both parties in delivering the trainings, such as the provision of venue and other resources.<sup>228</sup> The trainings range from oneyear diploma programs to those that span half a year or even a few weeks or days based on the topic.

The CSTI prepare their annual scheduled training modules based on an annual training needs assessment (TNA), which is completed with input from all state institutions. Local councils are also given this opportunity to self-assess their training needs, but in the CSTI's experience councils' response to the TNA survey has been weak. The reasons perceived for this include lack of human resource personnel with the capacity to undertake this task and a lack of understanding of its value.

In addition to this TNA form, councils are also given the opportunity to state their preferred training requests with reference to the scheduled training program for the year, and they receive responses for trainings from all councils.<sup>229</sup>

While the programs run by the CSTI contribute to boosting the professionalism and efficiency of island and atoll council offices, the CSTI does not currently offer any training directly related to the topic of

- 227 CSTI has a pool of about 13 external trainers who are contracted out to travel and deliver the trainings to island and atoll councils and government institutions on the islands.
- 228 Interview with Fathimath Habeeba,
- Director of CSTI. Interview with Fathimath Habeeba, Director of CSTI. 229



- According to Mohamed Naseer, Director of Training at LGA, and Fathimath Habeeba, Director of CSTI: Initially upon requests from councils, the CSTI conducted training programs related to decentralisation. However, this led to confusion and overlap in materials covered by the CSTI and LGA on the topic Eventually both institutions came to an understanding that LGA would focus on decentralisation law and related conten for councillors and civil servants while the CSTI would cover other topics required for professional development and office
- Interview with Fathimath Razeena, Financial Controller. Interview with Ibrahim Areef, Land Officer, 231
- 232 Maldives Land and Survey Authority. Interview with ACC President Hassan Luthfee, Vice President Muaviz Rasheed, 233
- and Member Sofwath Mohamed Interview with Mohamed Naseer, Director 234
- of Training, LGA. Interview with Nasheeth Thoha, Assistant 235
- Resident Representative, UNDP Information provided by MOFT by email dated 17 July 2018 236

decentralisation.<sup>230</sup> Furthermore, the main target audience of the CSTI programs are civil servants, and thus training slots are usually filled by civil servants from council offices rather than by councillors.

However, CSTI does not bar councillors from attending any of their sessions and some councillors have even enrolled in their long-term diploma programs. The CSTI noted that they are willing to consider targeted programs for councillors on professional development, general management, and office skills in accordance with requests by the LGA. This may be an option worth pursuing due to the current scarcity of training opportunities in light of the closure of the Institute of Governance and Development.

Surprisingly, five councillors interviewed for this report stated that they have not heard of the CSTI. This included councillors who were elected in 2011 and 2014. Of the remaining respondents, some have attended trainings by the CTSI and expressed that they found it useful and that it helped their staff improve their skills. Others viewed it as a training exclusively meant for civil service staff and not for councillors. A few mentioned that they would like more opportunities for training and were unable to send anyone usually due to staff shortages in their offices.

#### (III) CAPACITY-BUILDING AND SUPPORT BY OTHER **GOVERNMENT INSTITUTIONS**

Other state institutions also carry out capacity building programs and workshops that are implemented when the need is identified.

For instance, in 2016 the Ministry of Finance and Treasury (MOFT) travelled to islands to familiarise the relevant councils' staff with better financial record-keeping and reporting methods.<sup>231</sup> The Auditor General's Office also visited all local councils in 2016 to create awareness on international bookkeeping practices and to familiarise councils and their staff on international public sector accounting standards (IPSAS), which is used by the AGO for auditing purposes.

The Maldives Land and Survey Authority conducted some workshops in 2014/2015 to local councils on sustainable land management practices or surveying.232 The Anti-Corruption Commission also conducts trainings and awareness programs on corruption, good governance, and transparency for council staff.233

Currently the Maldives National University is preparing a master governance program, which is expected to be very much focused

on the needs of governing and developing an island in the Maldives.234

# (IV) UNDP

The UNDP has also run programs directly intended to enhance the capacity of local councils. For instance, when the Decentralisation Act was initially ratified, UNDP conducted capacity building workshops targeting candidates running in the local council elections, prior to the first elections of February 2011.

However, in recent years, due to UNDP's resource redistribution, the bulk of their aid has shifted to Laamu atoll and is mostly devoted to the Low Emission Climate Resilient Development Program (LECReD) that started in 2012. As an activity under this program, UNDP worked with the LGA to develop a methodology for developing island development plans, which was later used as a template for all island and atoll councils for the first five-year development plans.235

Overall, councillors noted that such trainings helped increase their confidence and assisted them in learning how to engage with staff whilst managing their offices. It is important that adequate and timely trainings are prioritised by both the central government and the LGA. Training programs must consider feedback from past training programs, and these programs must be delivered at the earliest possible time after the election.

Addu city council adopted a different approach to staff development, which chiefly entailed immersing their staff of approximately 300 personnel in internal training programs, rather than relying only on the LGA or CSTI. Strategies adopted to enhance motivation and skills of their staff included job rotation, regular identification of the best employee, ensuring minimal political influence in day-to-day operations, and making the best use of higher education opportunities that were expanding in Addu atoll.

MOFT noted the importance of conducting sufficient capacity development on public finance management in particular, including the procedure and formalities of acquiring funds from the ministry. Furthermore, trainings should also be provided on formulating a well-planned budget based on the economic outlook of the world and the country.236

# 5.3 MONITORING

The Decentralisation Act empowers the LGA to monitor the work of councils on two aspects: ensuring consistency with the legislative framework; and ensuring that councils adhere to standards set out for them in executing their duties.<sup>237</sup>

The law also specifies that it is the responsibility of atoll councils to "monitor the performance of the island councils in discharging their responsibilities".238 Therefore, LGA uses a monitoring system whereby atoll councils are given a certain level of autonomy and guided instructions on how to carry out this function in a consistent manner in their respective jurisdictions. If the law is violated, atoll councils can forward cases to the LGA when needed. Based on cases forwarded from atoll councils or observed by the LGA directly, the LGA can either take direct action or they can forward to the police, Anti-Corruption Commission, or the Auditor's General Office, depending on which is most appropriate.239

In 2015, the LGA introduced a performance index to review and evaluate the councils across five categories.<sup>240</sup> These categories are as follows:

- 1. Implementation of Decentralisation Law: This measures the extent to which councils have implemented the Decentralisation Act. Seven specific components of the law are considered and include whether councils have established women's development committees, completed internal audits, and if they have prepared a national development plan.
- Effectiveness: This component looks at internal factors and investment returns of councils. There are eight indicators used to score this category, encompassing the level of resources devoted to enhancing their human resources and how much revenue they collect through fees and investments.
- 3. Participation: This category is devoted to the level of community consultation and engagement efforts made by councils. The ten indicators used to assess this component include a mixture of direct and indirect measures such as how many activities were carried out by WDCs and how much councils spent on WDCs.
- 4. Accountability: This category attends to the efforts made by councils to report to and hold themselves accountable to the central government and to their respective communities. The five indicators used to assess this component include the extent to which councils share progress relevant to implementing development plans with the community, and the level of transparency they demonstrate regarding

their financial statements and ownership of assets.

5. Security: This category looks at the effort councils have made to keep their communities safe. The indicators used to evaluate this category include the level of preparedness for natural disasters, the efforts made to reduce crime, and the steps taken to protect the environment.

The performance index was first used in 2015 to score all the councils. The index uses a score between 0 and 1, in which 1 is the highest. The highest scoring atoll council was Shaviyani atoll with a score of 0.349, and the best scoring island council was Sh. Foakaidhoo with an overall score of 0.38.<sup>241</sup>

The winning councils were presented with awards, known as 'Kangathi Award', on 6 March 2016.<sup>242</sup> The council to score the highest in each of the five categories was also acknowledged as well as the highest scoring island in each atoll.

City councils were not included on the basis that there were too few to compare, given that there were only two cities at the time.<sup>243</sup>

Data for the analysis of the performance index was collected by the LGA, which asked all councils to complete a questionnaire and submit them by a specific deadline. Only those councils that submitted the questionnaire by the deadline were considered.

It is noteworthy that some of the indicators used were under-reported and that some councils submitted incomplete forms by the deadline, which contained only the information they were able to collect. The indicator that was the most under-reported was the last category of security, to which only five atoll councils and thirty island councils responded (whereas all nineteen atoll councils and 153 island councils reported for the first indicator).<sup>244</sup>

In 2016, the tool was revised, and the councils were re-evaluated according to a new rubric<sup>245</sup>. The final score of the performance ranking of councils was used by the LGA as a factor in proposing budgetary allocations for 2017. Since 2010, the councils' budget had been decided by MOFT. For 2017, the LGA was given the authority to propose allocations for different budgets. The institution used a fiscal formula, which had initially been developed in 2013 with UNDP's assistance.246 This formula included multiple factors and was later updated to include the performance index. To date, the final budget allocation to councils has not been determined exactly as per the fiscal formula.<sup>247</sup> Nevertheless, the LGA's attempt to implement results-based monitoring measures is commendable and should continue to be used as a guideline and incentive for budgetary allocations. The lack of evaluation of city councils

- 237 Article 61(a) and (d).
- Article 8.
   Interview with Ahmed Hassan, Director of Marilering and Evolution Department
- Monitoring and Evaluation Department. 240 Location Government Authority. 2016.
- Council thakage ranking 2016, p. 11-13.
  241 Ibid., p. 21 and 31.
  242 PSM News. 2016. Rangalhah masahkaluran carupati thakab uward dharan
- kaikuraa council thakah award dheyn nimmaifi, <u>https://psmnews.mv/11989</u>
   Information provided by email by Ahmed Hassan. 5 December 2017.
- Local Government Authority. 2016. Council thakuge ranking 2016.
   Interview with Ahmed Hassan, Director of
- 245 Interview with Ahmed Hassan, Director of Monitoring and Evaluation Department, LGA
- LGA. 2013. Annual Report, p. 28.
  Interviews with Azhath Rushdy, Director of Planning and Projects, and Shammoon Adam, Division Head of Planning and Monitoring Division.

in the current performance monitoring framework used by LGA means that councils representing a significant portion of the country's population go unreviewed. A review of their effectiveness, accountability, and their efforts to engage with the community can be used to monitor their annual progress and performance, even if these indices are not used to compare city councils with one another. Such evaluations can be useful for a particular community to assess the performance of their elected councillors when voting.

# 5.4 DISCIPLINING

The LGA is not a constitutional body and is not clearly defined as an independent legal institution. It is a government authority that monitors nearly 200 local councils that are independent legal entities in their own right with fully elected bodies. This raises debate on what type of disciplining measures the LGA should take.

The Decentralisation Act states that the LGA should "monitor to ensure" that policies and laws are implemented by councils,<sup>248</sup> but does not provide detail on how this is to be done. The law also states that the LGA has the power to review and assess situations where councils are failing to perform their duties and responsibilities in a satisfactory manner.

Therefore, the LGA has a duty to investigate and attend to issues and complaints regarding local councils. The Act then states that the LGA can file a case to the High Court <sup>249</sup> to dissolve a council for misusing council facilities, repeated failure to perform the duties of the council, or if the council is unable to make decisions, have meetings or otherwise carry out their responsibilities. In practice, the LGA has found only one case that they considered submitting to the High Court, though the issue was resolved prior to this step being taken, rendering it unnecessary. 250

The LGA has thus taken the initiative to determine how to enforce and ensure that councils abide by all policies and laws. In November 2013, the LGA issued a code of conduct for all councillors, which provided guidelines regarding issues such as confidentiality clauses, abuse of power, discrimination within office staff, and conflicts of interest. The code also states that if the LGA found any councillor to have breached the code of conduct, the LGA can impose a suspension of ninety days maximum, without pay, after all the relevant investigations have been completed.251

In May 2015, seven councillors from different councils were suspended for two months after taking part in anti-government protests on May Day.<sup>252</sup> In July 2015, four councillors, again from different councils, were suspended for refusing to participate in governmentorganised celebrations for Independence Day and for urging members of the pubic to do the same.253

There have been cases of councillors retaliating against these suspension orders. In the case of the May Day protest, B. Thulhadhoo council decided to continue to issue salaries to their two councillors who were suspended. Because of this, in December 2015, the LGA suspended all five councillors from Thulhadhoo for one month without pay.255

On 25 July 2016, the LGA issued a ruling which categorised possible offences by councillors into three categories and outlined the actions that would be taken by the LGA for each category. Actions by the LGA ranged from advising the council or individual councillors to suspension without pay to issuing a warning that a case may be filed for the dissolution of the entire council. Since then more suspensions have been issued.<sup>256</sup>

These disciplinary measures by the LGA have been met with criticism. Interviewees noted that the role of the LGA as defined in the Decentralisation Act is to monitor, assess, coordinate, and train. The disciplinary measures taken in recent years have been interpreted as being taken without sufficient investigation,<sup>257</sup> often preemptively and whilst overstepping the mandates dictated by law.

Interviewees also noted that, as discussed during the Special Majilis debates, a shorter term of three years for councillors, as opposed to the five-year term of the president and members of the parliament, was more appropriate as councillors worked directly with communities and a quick turnover would easily allow voters to hold their elected representatives accountable. Under this model, disciplinary measures by the LGA may not be necessary. It was noted that the LGA can monitor, investigate, and forward any fraudulent cases or criminal activities to the police, the Anti-Corruption Commission, or the courts for further action.258

# 5.5

# CHALLENGES FACED BY THE LGA

The issues noted below are concerns raised by interviewees from the LGA, who highlighted the following as challenges currently faced within their respective departments as well as within the LGA as a whole.259

1. Some functions assigned to the LGA in the Decentralisation Act are broad national planning mandates and beyond the capacity of an institution such as the LGA. Such functions may be better suited for an agency that already has other national planning responsibilities so that there is less duplication of efforts within the

- 248 Article 61.
- 249 Article 66. Decentralisation Act. 250 Interview with Ahmed Shihad, Head of
- Legal Department. Article 3 (a). Code of Conduct for 251
- Councillors Minivan News. 2015. LGA suspends seven councilors over May Day protest, 252 https://minivannewsarchive.com/news-inbrief/lga-suspends-seven-counc may-day-protest-98156 Minivan News. 2015. Councilor
- 253 suspended over tweet, https://mini-vannewsarchive.com/politics/lga-sus-pends-thulhaadhoo-councilman-over-a-
- Maldives Independent. 2015. Thulhaad 254 hoo councillors suspended for 'defying orders', <u>http://maldivesindependent.com/</u> politics/thulhaadhoo-councillors-sus-
- pended-for-defying-orders-119746 Articles 4, 5 and 6, Guideline on actions 255 to take for unlawful acts by councillors (Councilun kuraa gaanonaa khilaafu amaluthakaai islaahee fiyavalhuthah
- darajakurumuge usool). In September 2017, the President of 256 HA. Dhidhoo Council was suspended for a month over a dispute with the government regarding the selection of beneficiaries of 140 housing units built in Dhidhoo. On 11 December 2017, the LGA issued a circular requiring councillors to seek prior permission to meet with foreign diplomats. The circular was issued while the British Amhassador to the Mal dives was visiting GDh. Thinadhoo and the Indian Ambassador to the Maldives the initian Annoassator to the windows was touring the islands of Gadfu Alif atoll. On 12 December, three councillors from Gadfu Alif was suspended for unautho-rised meetings with foreign diplomats. In January 2018, three councillors from Maafushi were suspended after meeting with a foreign diplomatic without prior permission. In February 2018, all five councillors from Ihavandhoo were sus pended on grounds of lack of cooperatior with the government during Fishermen's Day celebrations in 2017.
- 257 See, for example, the case of Dhidhoo councillor who was suspended before investigation was completed: http:// maldivesindependent.com/politics/ dhidhoo-council-president-suspend-ed-over-housing-ministry-row-132848 Interviews with Husnu Al Suood, Salma
- 258 Fikry, MP Mohamed Aslam, and Deputy
- Mayor Shamau Shareef. Interviews with Ahmed Shihad, Director 259 Head of Legal Department; Ahmed Hassan, Director, Head of Monitoring and Evaluation Department; Azhath Rushdy, Director of Projects and Planning; Mohamed Naseer, Director of Training: Shammoon Adam, Division Head of Planning and Monitoring Division; a Mohamed Shafeeq Mahmood, CEO.

government (such as conducting national consultations or research) and so that such functions would be attended to by more experienced and knowledgeable staff who can better align these efforts with other broad strategic development plans. Examples of such functions that were highlighted included determining the characteristics of a city, determining the minimum population of an inhabited island, and assigning the geographical boundary of an island (functions that are currently part of the LGA).

- 2. The legal department reported facing a high demand from councils for legal support on various issues. The department reportedly receives on average sixty issues per week, which are handled by the five legal staff in the department.
- 3. The monitoring department noted that although they have developed a system of monitoring whereby atoll councils monitor island councils to some extent and annual formal evaluations are completed

using information from the performance index surveys, there is still a need for LGA teams to travel for monitoring purposes. This is costly, and budget is not available to complete this required function. Alternative ways to conduct monitoring (possibly requiring less travel by an LGA team) need to be explored.

4. Although the human resources of the LGA have grown considerably since its inception (from 2010 to now, the institution grew from five employees to over forty),<sup>260</sup> the experience and exposure of the entire institution is limited. More capacity building opportunities for the LGA staff is needed. For instance, research was an area that was identified as an area in which the LGA is lacking; currently there is only one staff in the LGA who is assigned to undertake research.





# CHAPTER 6: DECENTRALISATION IN THE MALDIVES 2010-2017

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# **CHAPTER 6: DECENTRALISATION IN THE MALDIVES 2010-2017**

### 6.1 LOCAL COUNCIL ELECTIONS

The Constitution of 2008 imposed a deadline for the first local council election, which was 1 July 2009 (Article 298). As described in the previous sections, the finalisation of the decentralisation and related elections legislative framework was a lengthy process and the constitutional deadline was not achieved.

When this clearly failed, the Decentralisation Act was passed on 17 May 2010 with a new deadline for the first local council election to take place within 150 days,<sup>261</sup> on 13 October 2010. The equally important Local Council Elections Act was ratified on 29 July 2010. However, the first round of election was held on 5 February 2011 with the second round by 12 March 2011.

It is important to consider some other events that occurred during this time period to contextualise the delay. Several other deadlines were not achieved during this tumultuous and hectic period. For instance, the constitution had also set a deadline to hold the next parliamentary election by 15 February 2009,<sup>262</sup> which was not achieved and set a precedent for a series of delayed elections (albeit the parliamentary election was delayed by only three months compared to the delay of nineteen months for the local council election).

Another significant issue in the country at the time was emerging problems between the executive, judiciary, and legislative branches as the interim phase of the Constitution ended on 7 August 2010. The overriding issue at the time was regarding the appointment of permanent judges to the Supreme Court. The parliament had failed to pass the Judges Bill in time and therefore the permanent Supreme Court was not elected by the time the interim phase ended. The interim judges had already sent a letter to the President informing him that they intended to remain permanently on the bench. The executive locked the Supreme Court building and barred access to any of its employees or judges. Although this issue was resolved quickly thereafter, this highlighted the extreme tension between the branches of the state and also diverted attention from other affairs such as the local council election and associated campaigning.<sup>263</sup>

After the first round of election took place on 5 February, most of the councillors were sworn in by 26 February 2011, with fourteen constituencies pending as issues had been filed with the High Court.<sup>264</sup>

The 2014 local council election was held on 18 January 2014. According to the Constitution, the term of city, atoll, and island councils is three years. The Decentralisation Act specifies that the new councillors must be elected thirty days before the three-year term ends.

The local council election of 2017 was also delayed. Compared to 2011, the delay in holding the 2017 election was met with much more criticism by stakeholders as there were less extenuating circumstances and evinced bad faith on the part of the government.

The election was initially planned for 14 January 2017 and was then postponed thrice from 8 April to 15 April to 6 May, on which the election was finally held. The initial delay was in response to a ruling by the Civil Court, issued on 1 December 2016, following the conclusion of a case submitted by President Yameen that his party required more time to prepare for the elections due to disputes within the ruling party.

The election was rescheduled again when the schools, which served as ninety per cent of all polling stations, were not available for the announced date. The last time the election was postponed, there was a flu outbreak in the country. The Elections Commission announced that they had been advised by the Health Protection Agency that public gatherings may cause the flu to spread further.<sup>265</sup>

These delays were criticised as tactics used by the government to gain time to field candidates, given the disputes that were going on at the time within PPM. One opposition party went as far as to announce that they would not partake in the local council election, although they ultimately did participate.<sup>266</sup> Adding to these criticisms was disapproval that the delay in the election dates coincided with amendments to the Elections Act in February 2017, which changed the required qualifications of candidates in the midst of the campaign period.<sup>267</sup>

During this period of delay, the current councillors remained in their posts, as per the judgement of the Civil Court, referencing the necessity thereof.<sup>268</sup>

The following table (right) gives a summary of key facts and figures of all three local council elections held to date.

Voter turnout at local council elections is low in comparison to other elections that are held in the Maldives. For instance, voter turnout in the 2008 presidential election and the 2009 parliamentary election was 79 per cent and 87 per cent respectively.<sup>269</sup> Voter turnout in the first round of the 2013 presidential election was 87 per cent, and 90 per cent in the second round. This is explored in more detail in Box 5.

Other issues noted, which are common to all elections and not just local council elections,

261 Article, 150 (b), Decentralisation Act

- 2010. 262 Article 296 (a). Constitution 2008.
- 263 ICJ. 2011. Maldives: Securing on Independent Judiciary in a Time of Transition, p. 12-15, http://www2.ohch.org/english/ bodies/hrc/docs/ngo/ICJ\_Maldives\_ <u>HRC102.pdf</u>; Transparency Maldives. 2010. Parliament of the Maldives, p. 12, http://transparency.mv/wp-content/up-
- loads/2013/09/parliament\_watch1.pdf 264 Minivan New.2011. Oath-taking ceremony for 14 councils delayed following High Court injunction, https://minivannewsarchive.com/politics/anth-taking-ceremony-for-14-councils-delayed-follow-
- ing-high-court-injunction-16560 265 WNews. 2017. Local Council elections have been postponed for the third time, http://vnews.mv/80092; Maldives Independent. 2017. Maldives local council elections postponed a second time, http:// maldivesindependent.com/politics/
  - maldives-local-council-elections-postponed-a-second-time-128598; Maldives Independent. 2017. Council Elections delayed for the third time over flu outbreak, http://maldivesindependent.com/politics/ council-elections-delayed-for-third-time-
- council-elections-delayed-for-third-timeover-fil-outbreak-129619 266 News release by Adhaalath Party on 17 January 2017: http://www.adhaalath.org.
- mv/?p=650 News release by MDP on 18 March 2017: https://mdp.org.mv/archives/73939; News release by Transparency Maldives on 9 May 2017: https://www.transparency.org/news/pressrelease/wider\_issues\_ continue to cast a shadow on the elec-
- Continue Control of the main of the control of the main of the control of the main of the control of the control
- flu outbreak, http://maldivesindependent. com/politics/council-elections-delayedfor-third-time-over-flu-outbreak-129619 Z69 Transparency Maldives. 2011. Domestic Observation of Local Council Elections 2011, p. 17, http://transparency.mv/ wp-content/uploads/2013/12/Presidential-Parliamentary-Local-Council-election-reports.pdf

# TABLE 7 : COMPARISON OF KEY ELECTION STATISTICS

INDICATOR	2011	2014	2017
Date of elections	5 February 2011 (second round 12 March 2011	18 January 2014 (second round 15 February 2014	6 May 2017* (second round 20 May 2017)
Number of candidates who contested	2,754	2,458	1,487
Number of female candidates who contested	222	273	Information not recieved
Number of seats	1,091 councillors in 209 constituencies (942 seats for 188 island councils, 132 seats for 19 atoll councils, 17 seats for 2 city councils)	1,095 councillors in 208 constituencies (946 seats for 187 island councils, 132 seats for 19 atoll councils, 17 seats for 2 city councils)	664 councillors (575 seats for 179 island council, 66 seats for 18 atoll councils, 23 seats for 3 city councils)
Number of candidates who contested by party	Maldives Democratic Party (MDP) - 922 Dhivehi Rayyithunge Party (DRP) - 882 Adhaalath Party (AP) - 52 Jumhooree Party (JP) - 46 People's Alliance (PA) - 8 Gaumee Iththihad - 11 Dhivehi Qaumee Party (DQP) - 8 People's Party (PP) - 1 Independent - 824	MDP - 899 PPM - 535 JP - 302 MDA - 92 AP - 83 DRP - 2 Independent - 545	MDP - 469 PPM - 521 JP - 93 Maldives Development Alliance (MDA) - 49 AP - Information not received DRP - 1 Independent - 363
Number of successful candidates by party	MDP - 395 DRP - 499 AP - 15 JP - 16 PA - 1 DQP - 1 Independent - 164	MDP - 462 PPM - 275 JP - 123 MDA - 55 AP - 45 DRP - 1 Independent - 134	Information not received
Total number of successful female candidates	58	61	62
Voter turnout % (National total)	72.11%	62.52%**	65.68%
Voter turnout % (Cities only)	52.63% (Male' 50.1%; Addu 57.79%)	35.87% (Male' 28.2%; Addu 50.4%)	47.3% (Male' 43%; Addu 55.32%)
Number of ballot boxes	417	464	422
Ballot boxes abroad	Two locations (India, and Sri Lanka)	Three locations (Sri Lanka, India, and Malaysia)	One location (Sri Lanka)
Total number of observers and monitors***	917 observers 424 monitors	916 observers 738 monitors	898 observers 634 monitors
Election Expenditure	MVR 44,840,129.75	MVR 31,281,072	MVR 46,220,447

# SOURCES:

Elections Commission, Local Council Elections 2011 Statistical Report Elections Commission, Local Council Elections 2014 Statistical Report Elections Commission, Local Council thakuge inthikhaabu 2014 report Elections Commission, Local Council thakuge inthikhaabu 2017 report

\* Initially planned for 14 January 2017, postponed to 8 April 2017, postponed again to 15 April 2017 and finally held on 6 May 2017.

\*\* Voter turnout for the presidential election in November 2013 was 90 per cent.

\*\*\* Monitors are media personnel only.



Women's participation in politics and their inclusion in top government positions in the Maldives is low. In 1999, there were only five female members of parliament (three were nominated by the president) out of fifty members.<sup>270</sup> By 2001, this number was reduced to three female members (two were appointed by the president) out of fifty.<sup>271</sup>

Similarly, in 2001, only one minister, two deputy ministers and one deputy island chief were women.<sup>272</sup> There has never been a female atoll chief, although a woman was once appointed as an acting atoll chief.<sup>273</sup> Prior to the abolition of the post of island chiefs in 2008, only one woman served as an island chief.<sup>274</sup>

Currently, of the fifteen cabinet ministers appointed in 2017, three are female.<sup>27</sup> In the 2014 parliamentary election, the Commonwealth observers reported that the number of female candidates contesting was disappointingly low with only twenty-three female candidates out of 302 candidates.<sup>276</sup> Ultimately, only five female members of parliament were elected.

As for local councils, in 2011 and 2014 only 8 per cent of candidates were female. In 2011, out of 225 female candidates, only fifty-eight were elected.<sup>277</sup> And in 2014, out of 1118 elected councillors, only sixty-one were female.<sup>278</sup>

Furthermore, during the parliamentary discussions of the Decentralisation Bill in 2009/2010, a submission put forth by the MDP to include a minimum quota for women in local councils was rejected without discussion.<sup>279</sup>

#### 6.2 APPOINTED COUNCILLORS AND PROVINCE OFFICES

After Mohamed Nasheed was sworn in as president, he appointed representatives of the state to each island and atoll to oversee all the administrative affairs. These representatives were called councillors and they worked alongside the previous katheebun or island chiefs.<sup>280</sup> This system was in place from 2008 until 26 December 2010 when President Nasheed annulled the position of appointed councillors ahead of local council election scheduled for February 2011.<sup>281]</sup>

In addition to these appointed councillors, the President also grouped all administrative atolls into seven provinces and appointed a state minister for each province.<sup>282</sup>An island was selected as the province capital and province offices were established, and administration of the islands thus began in a three-tier system of island-atoll-province framework.<sup>283</sup> Island chiefs were eventually absorbed into the civil service and in most cases they were appointed as the most senior civil servant of an island or atoll office.<sup>284</sup>

Province offices continued to coexist with the elected councillors until March 2012, when they were closed down by President Waheed one month after transfer of power from Nasheed's administration.<sup>285</sup>

This entire framework was criticised on various fronts. Given that island chiefs were still on payroll and reporting for work as before, some questioned if there was a true need for additional salaried government officials to be hired to these offices at

- 270 Asian Development Bank. 2001. Country Briefing Paper: Women in the Republic of Maldives, https://www.adb.org/ sites/default/files/institutional-docu-
- ment/32556/women-maldives.pdf 271 UN. 2001. Monitoring committee for women's anti-discrimination convention considers report of Maldives, https:// www.un.org/press/en/2001/wom1255.
- 272 Asian Development Bank. 2001. Country Briefing Paper: Women in the Republic of Maldives, https://www.adb.org/ sites/default/files/institutional-document/32556/women-maldives.pdf
- Ibid.
   UNDP. 2011. Women in Public Life in the Maldives: Situational Analysis, p. 18, https://www.undp.org/content/dam/maldives/docs/Democratic%20Governance/
- Women\_in\_Public\_Life\_Report.pdf 275 As at 5 November 2017. 276 EU Election Observation Mission. 2014.
- Preliminary Statement, http://eeas.europa.eu/archives/eueom/missions/2014/ maldives/pdf/eueom-maldives-preliminary-report en.pdf
- http://eport.eh.pui
   277 Hope for Women. 2012. Shadow Report to the Committee on the Elimination of Discrimination against Women, p. 39, http://www2.ohchr.org/english/bodies/ cedaw/docs/ngos/HopeForWomen\_MaldivesForPSWG.pdf
- divesForPSWG.pdf 278 Transparency Maldives. 2015. Assessment of Women's Development Committees in the Maldives, http://transparency. mv/files/media/9cf640937386789db-
- 4c8b82b78bad815.pdf Hope for Women. 2012. Shadow Report to the Committee on the Elimination of Discrimination against Women, p. 6, http://www2.ohchr.org/english/bodies/ cedaw/docs/ngos/HopeForWomen\_MaldivesForPSWC.pdf
- dives-orPSWG.pdf 280 Department of Information. 2009. News Bulletin 04-01-2009, http://www. maldivesinfo.gov.mv/home/files/bullet-
- cymaldives.gov.mv/Press/Article/1732 282 President's Office. 2010. President appoints State Ministers for provinces, http://presidencymaldives.gov.mv/Press/
- 283 For an explanation on provinces and the roles of these offices, see: <u>http://www.maldivespartnershipforum.gov.mv/pdf/</u>
- Local%20Governance.pdf 284 Interviews with Salma Fikry and Abdullah Saeed, Director General.
- Saeed, Director General.
   Minivan News. 2012. Government closes national office: setablished by Nasheed, https://minivannewsarchive.com/news-inbiel/government-closes-national-offices-setablished-by-masheed-34396

the time. Another argument was that the President's decision to appoint councillors defeated the spirit and purpose of the Decentralisation Act, which at the time represented the culmination of the hopes of communities to finally elect their own local representatives.

In the interviews with the councillors for this report, those respondents who were elected in 2011 and worked alongside the province office, noted that communicating with the central government at this time was difficult because of the long chain of command that was in place. Island councils had to write to atoll councils and atoll councils forwarded the issue to province offices who then forwarded to the relevant ministry. The reply would also follow the same communication route back. These respondents noted that this made the process lengthy and cumbersome and often documents were misplaced. However, two respondents noted that having a province office did make communicating with ministries easier. With the dissolution of the provincial offices, island and atoll councils communicate directly to any government institution and in the case of island councils, only have to send a copy of the correspondence to atoll councils.

#### 6.3 ALIGNMENT WITH OTHER EXISTING LEGISLATIONS

The introduction of the Decentralisation Act represented a fundamental shift in the way the islands were governed in the Maldives. Although there was some devolution of powers to appointed atoll and island chiefs (necessitated due to geographical distances and the multitude of inhabited islands), what existed previously was mainly a strong centralised governance system. Despite the presence of central government officials on every island, there seems to be no formal involvement of communities in decisionmaking until the last decade leading up to the Act, in the form of island and atoll development communities. Legislations passed during those years reflected this centralised governance structure. Therefore, in order for decentralisation framework to be truly realised, it was necessary for laws contradicting the new decentralised structure of governing to be amended.

To facilitate this, Article 153 was added into the Decentralisation Act, which stated that any laws that were in contradiction of the Decentralisation Act must be submitted for amendment to the parliament within six months of its passage.

According to a previous employee of the Attorney General's Office some laws were identified and submitted for amendment during this six-month period. This was done under the guidance of the Attorney General Ahmed Ali Sawad.<sup>286</sup> As reported by the Attorney General's Office, amendments to twenty-two laws were proposed to the parliament within the six-month timeframe.<sup>287</sup>

Of this list, at least six laws were amended by the parliament, citing conflict with the Decentralisation Act. This included several articles in the Land Act of 2002. These amendments were passed in 2014 by a single Act entitled Act to Amend Certain Laws 26/2014, which specifically delineated that the reason for these amendments were their incompatibility with the Decentralisation Act.<sup>288</sup>

Of the remaining twenty-two laws, five were repealed in their entirety for various reasons. Amongst the repealed laws, some laws such as the Drugs Act 17/2011 were redrafted and passed again.<sup>289</sup>

Amongst the remaining laws, some have had amendments passed for certain articles for various reasons. This includes the Public Finance Act, the Maritime Vessels Act, and additional amendments to the Land Act.

Other laws of this initial list still remain unamended in their original form despite contradicting with the Decentralisation Act.

# TABLE 8 : LIST OF TWENTY-TWO LAWS CATEGORISED BY ACTIONS TAKEN [290]

LAWS IDENTIFIED BY AGO AS BEING IN CONFLICT WITH DECENTRALISATION ACT	RELEVANT ACTIONS TAKEN SINCE	
1. Drugs Act 17/77		
2. Law on obtaining clearance for vessels leaving Maldivian waters 61/78		
3. Law on customs control of foreign vessels in local harbours 62/78	These laws were repealed	
4. Law on foreign vessels without diplomatic clearance travelling and carrying goods in Maldivian waters 63/78	(possibly for various reasons)	
5. Law on wrecked vessels and beached vessels in Maldivian waters 7/96		
6. Import Prohibitions Act 4/75	Amended due to conflicts: Article 2(e) amended and (f) added. Included in Act 26/2014.	
7. Law number 4/68 (General Laws)		
8. Law on uncollected goods and money 7/77		

- 286 Meeting with Abdulla Muizzu, former Attorney General.
   287 This information was provided by the
- 287 This information was provided by the Attorney General's Office to Transparency Maldives under a Right to Information request. Detailed information on how these laws were conflicting was not attained.
- Jaws were conflicting was not attained.
   Information provided by the Secretariat of the Parliament. Act available on: <u>http:// www.mvlaw.gov.mv/pdf/ganoon/chap-</u> ter/26-2014.pdf
   It is unclear whether the redrafting
- 289 It is unclear whether the redrafting process took into account the conflicts with Decentralisation Act.
- 290 Unofficial translation of law titles.

LAWS IDENTIFIED BY AGO AS BEING IN CONFLICT WITH DECENTRALISATION ACT	RELEVANT ACTIONS TAKEN SINCE
9. Law on providing information about foreign fishing vessels sighted in Maldivian Economic Zone 20/78	
10. Law on residency at inhabited islands 46/78	
11. Law on print media 47/78	
12. Law on demarcation of plot boundaries, construction with the boundaries and determining access to the land from roads in Male' 54/78	
13. Law on maritime vessels 69/78	
14. Law on mining of sand, stone, and coral in inhabited islands 77/78	
15. Law on dry-docking vessels in Male' 84/78	
16. Law on registration of births and deaths and issuance of birth and death certificates 7/92	
17. Law on found items from land and seas 8/96	Amended due to conflicts: Articles 3(a) and (b), and 4(a) amended. Included in Act 26/2014.
18. Law on uninhabited islands 20/98	Amended due to conflicts: Article 7 amended. Included in Act 26/2014.
19. Law on coconut trees on inhabited islands 21/98	Amended due to conflicts: Articles 2, 5(a), 6, 7, 8, and 9
20. Prevention and Prohibition of Corruption Act 2/2000	
21. Land Act 1/2002	Amended due to conflicts: Articles 10, 21, 23(a) and (c), 28(a)-1, 29(a), 38(b), and 39. Included in Act 26/2014.
22. Public Finance Act 3/2006	

Other laws in the above table have also seen amendments ratified over time. However, they were not related to any conflicts with the Decentralisation Act.

In 2015, the Local Government Authority renewed efforts to identify laws still needing amendment, this time with the assistance of a Commonwealth consultant, and submitted the resulting list to the Attorney General's Office.<sup>291</sup>

As previously stated, the Decentralisation Act mandated the government to amend all contradicting laws within six months of passage of this Act. The efforts put in by various governments to address this are criticised by some as insufficient to facilitate the work of councils.<sup>292</sup> The main pieces of legislation that were highlighted as obstacles to decentralisation by interviewees were the Public Finance Act and the Land Act. These laws were noted to restrict decentralisation in the country and limit the powers of councils.<sup>293</sup>

However, during the interviews conducted for this research, there were opposing views regarding how the current legislative framework interferes with the Decentralisation Act. Some interviewees point out that the laws do not have conflicting articles per se, but rather do not establish a framework conducive to allowing decentralisation to flourish in full.<sup>294</sup> Other interviewees hold that the Decentralisation Act states that these Acts are superior to the Decentralisation Act.<sup>275</sup> This is in reference to the fact that the Decentralisation Act refers in particular to the Public Finance Act and the Land Act, and specifically maintains that councils must be bounded by these particular legislations in fulfilling their duties. Furthermore, these respondents point out that some councils have managed to function well within the current legal framework.

Therefore, a complex and unresolved issue has persisted, with the legislative wording in some articles implying that the Decentralisation Act is inferior to these two key Acts,<sup>296</sup> while another article in the Decentralisation Act states that conflicting laws should be amended. Furthermore, the Constitution has clearly mandated that administrative regions of the Maldives shall be administered in a decentralised manner.

During the phone interviews with councillors conducted for the research, the issue of inconsistencies in the legal framework was highlighted as a barrier to successful implementation of decentralised governance in the country.

One specific question in the survey pertained to the appropriateness of the Decentralisation Law within the context of the Maldives and whether the law is implemented in full. Of

- 291 Information provided by Shammoon Adam, Director General. This is also mentioned in LGA Strategic Plan 2016-2020, p. 19. During this research, it was not possible to determine which laws were identified at this second review, nor the current status of these proposed amendments.
- amendments. 292 Interviews with Salma Fikry, MP Ali Hussain, Shammoon Adam, Ahmed Shihad,
- 293 UNDP. 2014. Maldives Human Development Report 2014, p. 99, <u>http://</u> hdr.undp.org/sites/default/files/maldives hdr2014 full report 0.pdf
- 294 Interviews with Abdulla Muizzu, former Attorney General; Husnu Al Suood, former Attorney General; Ahmed Shihad, Head of LGA Legal Department; Ali Hussain, Member of Parliament; and Salma Fikry, former Director of Community Development at Ministry of Atolls Development.
- 295 Interviews with LGA CEO Mohamed Shafeeq Mahmood and Financial Controller Fathimath Razeena.
- 296 Such as Article 8 (g), or 23 (h), which state the responsibilities of atoll/island councils are to be in accordance with the land laws of Maldives.

the thirty-eight respondents, twenty-six councillors noted that while Decentralisation Act is appropriate for the country, its effectiveness is hindered due to a lack of implementation.

All twenty-six respondents individually cited that the main reason for the lack of implementation was conflicting provisions with other laws. Practical examples cited included having to seek permission from the Ministry of Housing for the use of land in their island, restrictions on the use of funds that they raise by themselves and having to obtain permission for tourism-related activities or for monitoring uninhabited islands in the atoll.

A third problematic Act that was identified during the research is the Civil Service Act. Given the heavy emphasis by all respondents on the Public Finance Act, the Land Act, and the Civil Service Act, the issues in these three Acts are explored in detail below.

#### 6.3.1 PUBLIC FINANCE ACT

The Decentralisation Act gives the following finance-related powers and responsibilities to the councils.

The Act lists services that atoll, island and city councils can provide and charge a fee for. According to the Financial Controller, atoll, city or island councils do not have to send the money collected from the provision of any of these services to the Ministry of Finance and Treasury.

The telephone survey conducted amongst the selected councillors asked councillors if they raised any funds, what methods they used, and what their experiences relevant to this were. Most of the councils reported that they inform the MOFT of the money that they raise but that they use the funds for community development projects. The MOFT is also aware that councils do not forward all the revenues and incomes they earn to the ministry.<sup>297</sup>

# TABLE 9 : COMPARISON OF KEY ELECTION STATISTICS

POWERS AND RESPONSIBILITIES RELATED TO FINANCES	ATOLL COUNCIL (FROM ARTICLE 8)	ISLAND COUNCIL (FROM ARTICLE 23)	CITY COUNCIL (BEFORE THIRD AMENDMENT - FROM ARTICLE 41)	CITY COUNCIL (AFTER THIRD AMENDMENT)
Manage the resources and finances of the people of the administrative division/island – Island / Atoll Plan and implement development projects and formulate the budget, with wide consultations – City	$\checkmark$	$\checkmark$	V	
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	Not included	$\checkmark$	$\checkmark$	Not included
Lease out and give lagoons and land for different purposes as mandated by the national authority for land management in accordance with the Land Law and as per the island's Land Use Plan	Not included	$\checkmark$		
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	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
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	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
Create financial securities such as municipal bonds, bills and municipal securities, and trade such financial securities in the stock exchange, to fund development activities	$\checkmark$	Not included	$\checkmark$	$\checkmark$
Determine and collect fees for services provided by the council and services provided through the council	$\checkmark$	$\checkmark$	$\checkmark$	√ (But services were limited)
Make productive use of the reefs, lagoons and other natural resources of the island		$\checkmark$		

According to the Public Finance Act (Act 3/2006), all funds received or earned by a government office must be deposited into the Consolidated Revenue Fund. Furthermore, if that office is located in an island where Maldives Monetary Authority (MMA) is not located, then that particular government institution may use another bank where MMA operates a bank account, with permission from MOFT. If there is no such a bank on the island, then the Act allows discretion for alternative arrangements to be made if sufficient security measures are in place.<sup>298</sup> In practice, the MOFT has instructed all atoll and island councils except for councils in Kaafu atoll to open bank accounts for that specific council.

Once deposited into this public bank account, funds can only be withdrawn under specific circumstances, which include: (i) As per the annual budget approved by the parliament (either as an expenditure or as a loan), and (ii) As per a trust statement from a trust fund or with specific permission by MOFT. In addition, the finance minister may, with the guidance of the central bank, withdraw from this fund to invest any cash reserves that is not needed immediately.<sup>299</sup>

Therefore, the options for a council to withdraw funds from the state budget are: (i) As per the parliament approved allocations for that council for that year, (ii) With special permission from the finance ministry, and (iii) Allocations made in case of an emergency. The council is not entitled to any funds that were contributed or raised by the council directly after it is deposited into the Consolidated Revenue Fund account. The terms of withdrawal from the account apply thereafter.

The telephone interviews with the councillors for this report included questions about their experiences generating revenue and utilising these funds.<sup>300</sup> The list below notes the income generating activities cited by the councils from 2010 until now.

- By far the most significantly reported source of income was rent. This was mainly reported to be rent from either lease of land or buildings to telecommunication companies, or other users such as police or colleges. Councils also rented out farmlands or apartments to skilled expatriate workers such as teachers or doctors. One council reported that they started with thirty land and now they had 140 land. This, however, seems to be an exceptional case as not all councils owned land to rent. One council from a small population reported that there was no demand for rented apartments or a café.
- Renting out of the atholhuge<sup>301</sup> was noted as a good income source in the instances in which this was possible. Two atoll councils noted that these buildings were taken away from them.

- Private donations from businessmen: Such funds have been used to start a library by one council; another used these funds to upgrade a school by building five extra classrooms.
- In-kind donations: One council reported that they were given an excavator by a private individual.
- Running cafés or shops: One council explained that they run a credit scheme for civil servants via their shop as an extra service.
- Some council operate the powerhouses on their island and earn revenue from this. They also earn money from selling fuel.
- Lease of construction equipment.
- Two councils noted that they operated ferry services.
- Fees collected from services provided by the council. Some councils noted that this money goes to the Maldives Inland Revenue Authority (MIRA). One council noted that they have been informed to send this money to MIRA but they have not yet done so and have been receiving warnings about this.
- Fees collected from providing waste management services.
- One atoll councillor leased twenty-three islands for rent in their first term. The atoll council distributed these funds to all islands within the atoll. Leasing these islands were reportedly a good source of income for the entire atoll. However, the custodianship of these islands was taken away from the council in 2013.
- Only one council reported receiving assistance from NGOs.

With regards to managing funds, ten respondents noted that they opened or currently operate trust fund accounts.<sup>302</sup> One respondent noted that this was the only way to access the funds that had been taken by central government in 2009 (see Box 1). Three other respondents noted that they are in the process of trying to open a trust fund account.

While many islands noted that income from rent to telecommunication companies was a source of income, some islands reported that they were unable to benefit from this same arrangement because the agreements in their particular cases were made before the councils were formed. In such cases the central government had instructed that rent should be deposited to the MOFT. Four of the interviewees noted that they therefore collect this rent money and send it to the MOFT. Hence, such lease arrangements is not consistent across the country and some councils benefit more than others.

298 Articles 11, 12 and 13, Public Finance.
 299 Articles 15, 16, 20, 22 and 23, Public Finance Act.

- 300 Exact amounts of funds raised were not asked nor were financial statements scrutinised to verify information given.
- 301 The official residence of the atoll chief, usually built to a higher standard with many rooms, dining and living quarters, and thus suitable to be rented out as a guesthouse.
- 302 Since some councilors were in office from 2011-2013, they are unable to confirm if the trust funds are still in use now.

# 6.3.2 LAND ACT

Another law that is frequently cited as a major obstacle for councils in exercising their powers and mandates is the Land Act 2002/01 and its associated regulations. This Act states that all transactions regarding owning, selling, leasing, or any use of any land in the Maldives will be will be decided by the president based on the cabinet's advice.

In addition, the Ministry of Housing and Infrastructure (MHI) will then allocate land, based on government policy, for different purposes such as residential, commercial, social or government use or for environmental protection. According to the Act, any ministry that has been entrusted with land for a particular use cannot use that land for another purpose without permission from the housing ministry.<sup>303</sup>

The Land Act was written eight years before the Decentralisation Act and thus would have considered the centralised form of governance that was in place at the time. This is obvious in the terminology used throughout the Act, such as references to "land allocated to different ministries" rather than considering the possibility of "land allocated to government institutions".

In order to ensure land is used more sustainably, the government has developed and implemented a set of regulations for Land Use Planning (LUP). These guidelines take into consideration factors such as separating industrial areas and residential areas, creating specific areas for agriculture activities, allocating unused land area for future use, and determining where major community or utility infrastructure should be located in light of the natural fragility of the island or the spread of the population. The entire process is intended to be a consultative process as instructed in the guidelines and is to be done by a technical team from housing ministry visiting the island and consulting the community.

Prior to the Decentralisation Act, the IDCs played a key role in these island consultations, providing input and also in engaging more members from the community to give feedback to draft Island LUPs. Following the passage of the Decentralisation Act, island councils now play the lead role and have engaged with the housing ministry team in developing their respective LUPs.

After the LUPs are approved, these plans are then used by both the council and the government to allocate land for projects, housing, commercial establishments or social development. Deviations are allowed with permission from the MHI. Communities are not consulted on deviations, but the council can provide their comments to deviations to an approved LUP.

The Decentralisation Act gives the following powers to the atoll, city and island councillors regarding land management. Nevertheless, atoll and island councillors are very much dependent on the central government, specifically the MHI, in developing their respective areas.

The Land Act states that the president shall allocate land for different purposes and further states that the president shall determine all policies regarding land in consultation with the cabinet.<sup>304</sup> In July 2014, the Housing Ministry issued a circular to all

303 Articles 3-9, Land Act. 304 Article 33, Land Act.

# TABLE 10 : POWERS AND RESPONSIBILITIES OF COUNCILS RELATED TO LAND MANAGEMENT

POWERS AND RESPONSIBILITIES RELATED TO LAND MANAGEMENT (AS PER DECENTRALISATION ACT)	ATOLL COUNCIL (FROM ARTICLE 8)	ISLAND COUNCIL (FROM ARTICLE 23)	CITY COUNCIL (BEFORE THIRD AMENDMENT - FROM ARTICLE 41)	CITY COUNCIL (AFTER THIRD AMENDMENT)
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		$\checkmark$	$\checkmark$	
In the event that a person's land has to be acquired in the interest of the public, acquire such effects after giving it a fair and just compensation to the owner		$\checkmark$	$\checkmark$	
Open or close temporarily or permanently, roads, parks or public squares of islands		$\checkmark$	$\checkmark$	
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	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
Foster the growth of tourism, fisheries, agriculture and other industries in the respective administrative division in accordance with legislation in the Maldives	$\checkmark$			
Make productive use of the reefs, lagoons and other natural resources of the island		$\checkmark$		

councils to seek the president's permission before leasing state lands, in reference to the Land Act.  $^{\rm 305}$ 

Since the Maldives Land and Survey Authority was formed in 2011, LUPs are issued by the authority. Despite the passage of the Decentralisation Act and even though each island has an authorised LUP, the system of granting authorisation for ad hoc land usage requests remained unchanged.

However, in order to reduce ad hoc requests for land usage, in 2008 the government inaugurated a system whereby all island offices are required to submit a request for how much land they will use in that year. This request is to be submitted with details of which plots they require, where and for what purpose.

This was included as part of the regulations under the Land Act. This annual upfront land request is known as 'bimuge budget' (land budget). The MLSA then approves or comments on the request. Additional requests for land can still be submitted by councils throughout the year and these requests are also accepted and processed by the MLSA. According to the regulations, it is expected to be prepared in consultation with the community.

The MLSA has travelled to communities in the past to educate councils and their staff on best practices regarding land management. In their experience this is an area that needs more capacity building, which is an issue that could possibly be addressed through the CSTI.<sup>306</sup>

Friction has occurred when councils proceed to lease land for different purposes without obtaining the required permit from the MLSA. This is a frequent occurrence and councils often cite that they interpret that the Decentralisation Act gives them the power to do so.<sup>307</sup>

The MLSA has recently worked to redraft the Land Act. This work includes redrafting and combining a total of eighteen land-related laws into a single Act. This work is now nearly complete, and the Authority expects to submit the bill to the parliament in 2018. Under this Act, the Land Act will be changed. However, the main power distribution between the central government and local governments with regard to land management has not been proposed to be changed in the draft bill.<sup>308</sup>

In the telephone interviews conducted for the research, the experiences of different councillors in land management and utilisation vary. Some councillors report good relations with the MHI while others report difficulties in accessing ministries in general. One councillor expressed a preference for the current system of land management in comparison to when atoll or island chiefs allocated land randomly to parties they maintained a close personal relationship with. However, a majority expressed their disappointment that the Land Act was not amended to allow more power to councils to determine land allocations and to use land to earn revenue for activities. Some cited the procedures of seeking permits as a major challenge to their work.

#### 6.3.3 CIVIL SERVICE ACT

A third issue that was frequently highlighted during the research was the staffing guidelines that is imposed upon the councils because of provisions in the Civil Service Law. This law provides little scope to councillors in hiring and firing civil service staff. The subsequent problems that emerged thereof were highlighted by respondents. The Act itself was passed in 2008, when the draft Decentralisation Act had not even been submitted to the parliament.

The Civil Service Act envisions a civil service that works in an apolitical environment that is not influenced by partisan issues, maintains professionalism, and is accountable to the government.<sup>309</sup> As such, the hiring, firing, transferring, promoting, demotioning, disciplining and evaluation of all civil service staff in the country is entrusted to the Civil Service Commission (CSC).<sup>310</sup> These responsibilities are managed by delegating them to the most senior civil servant in the atoll and island offices across the country, for the sake of efficiency and due to the widely dispersed nature of the Maldives. The post of the most senior civil servant in the atoll and island offices is known as Zimmaadhaaru Isveriyaa (ZV) or Director/Director General.<sup>311</sup> The ZVs possess the highest authority in making decisions regarding civil servants, whilst councillors are responsible for taking decisions regarding finances, activities and projects.

The Decentralisation Act also reinforces that the ZV is to be appointed by the CSC,<sup>312</sup> but in consultation with councillors. Neither the Civil Service Act nor its regulations have been amended to incorporate such a consultation process or provide instructions on how consultations should proceed with regard to appointments and dismissals.

According to the CSC, they consulted with councillors elected in 2011 in developing the initial organisation structure for island and atoll council offices, which is used to hire personnel.<sup>313</sup> Furthermore, human resource issues within the institution are also guided by a Human Resource Management and Development Committee (HRMD) that is to be established within each institution, as per the CS regulations, with the ZV taking the final action based on the committee's advice.<sup>314</sup> A councillor can be a member of this committee but only as an observer with no voting power.

- 305 Minivan News. 2014. Councils ordered to seek president's permission before leasing state lands, https://minivanewsarchive. com/news-in-brief/councils-ordered-toseek-presidents-permission-before-leasing-state-lands-88133
- 306 Meeting with Mohamed Shafy (Director General, Maldives Land and Survey Authority), Ibrahim Areef (Land Officer, Maldives Land and Survey Authority), Aishath Ibadhaa (Legal Assistant, Maldirect Lord and Curvey Authority)
- dives Land and Survey Authority).
   Information given by Ibrahim Areef (Land Officer, Maldives Land and Survey Authority) and Aishath Ibadhaa (Legal Assistant, Maldives Land and Survey Authority). Also noted by the Attorney General's Office.
- Information given by Ibrahim Areef (Land Officer, Maldives Land and Survey Authority) and Aishath Ibadhaa (Legal Assistant, Maldives Land and Survey Authority).
   Article 5, Civil Service Act and Article 7,
- 309 Article 5, Civil Service Act and Article 7, Civil Service Regulation.
   310 Article 37 Civil Service Act
- Article 37, Civil Service Act.
   Article 25 (c), Civil Service Regulation. In the case of Male' City Council, the most senior post is the Secretary General.
   Article 129
- Article 129.
   Interview with Abdulla Saeed, Director General, Civil Service Commission.
- General, Civil Service Commission. 314 See Chapter 4, Civil Service Regulation for HR management and development committee.

While an independent and impartial Civil Service is crucial, some issues arise with the current setup:

- 1. The elected councillors have no say in the selection of personnel that they are required to work with.
- A more significant issue noted by interviewees was that there is high discord between ZVs and councillors in many island and atoll councils.<sup>315</sup> Some noted that this has been a persistent and unresolved issue across the country since 2010.

The first issue contributes to lack of resolution of the second issue; the friction between the ZV and councillors and the inability of councillors to address this issue themselves.

With regards to the first issue above, the situation is not unique to local councils. In all government offices staffed by civil servants, the CSC approves the organisation structure of the office and permission to hire staff is sanctioned by the MOFT depending on vacancies within an approved organisation structure.

Ministries and state institutions will oversee their own hiring process and follow termination in line with civil service laws and regulations and the Employment Act. In addition, the CSC has introduced a regular performance appraisal system which is used for promotions within the civil service.

This same procedure happens in a council office when councillors decide they want to hire new staff. The ZV will oversee the announcement and interviewing process. However, if the vacancy is for the post of the ZV, then the CSC will oversee the appointment of these officers.<sup>316</sup>

#### TABLE 10 : EXTRACTS FROM THE RELEVANT ARTICLES FROM THE DECENTRALISATION ACT, THE CIVIL SERVICE ACT, AND THE CIVIL SERVICE REGULATIONS PERTAINING TO THE MAINTENANCE OF HUMAN RESOURCES OF THE LOCAL COUNCILS.

315 Interviews with Ahmed Shihad (Director, Head of Legal Department, LGA), Mohamed Naseer (Director, Training Department, LGA), Shamoon Adam (Director General, LGA), Ali Hussain (Member of

Parliament), and Abdullah Saeed (Director

For example, the current Thaa Atoll Coun

cil President noted that they did not face any issues in their Atoll Office but noted

that he observed this issue amongst many

island councils within the atoll.

General, Civil Service Commission). Article 35(a), Civil Service Regulation.

LEGISLATURE	EXTRACT OF RELEVANT ARTICLE
Civil Service Commission Act 2008, Article 37	"The Civil Service Commission has all power to appoint, dismiss employees of the Maldivian Civil Service and to transfer them from one employment to another"
Civil Service Commission Regulations, Article 74 (a).	" the absolute authority to source and recruit employees, job transfers promotions and dismissals shall lie with the Civil Service Commission".
Decentralisation Act 2010, Article 130 (a)	"The Civil Service Commission will in consultation with the councils, assign positions, appoint and dismiss staff, who work in the administrative offices of the atoll councils, the island councils, city councils and the ward offices"

Therefore, councillors have no official say in influencing the number of staffs they have, the persons selected as their staff, and in replacing any staff. Similarly, changing the council office structure is a significant exercise with huge budgetary consequences. In 2010 when the Decentralisation Act was ratified, and the post of the island and atoll chief was made redundant, the government transitioned these public officials to senior posts within the civil service so as to not let any of these long-serving employees become redundant.

Those who had been selected for the position of island chief had usually been from that respective island, unlike the atoll chief who was not necessarily selected from the atoll served. Thus, those who had served as previous island chiefs for that island were mostly transitioned to the post of ZVs to the renamed island/atoll council offices (previously island/atoll offices).

Of the 38 telephone interviews conducted for this study, 15 councillors noted that one of the challenges they faced was working with their ZV. In addition, two atoll councillors noted that although they have not experienced this personally they have observed this issue within their atolls. The interviewees offered the following reasons to explain this friction:

- A large age gap and entailing differences in mind-sets and preferred approaches between ZVs and councillors.
- ZVs tend to be less educated and less computer literate, which makes them difficult to work with.
- ZVs are not well-versed in current best management practices and lack the desired financial skills that councillors expect of them.
- Differing political inclinations of ZVs and councillors often lead to conflict.

ZVs lack political aptitude because they had previously been involved only in the municipal affairs of their island, whereas councillors consider issues from a broader political viewpoint. This subsequently results in differences in priorities and manner of dealing with community issues. It must also be noted that this issue is not faced by all council offices and not all ZVs fit this profile. Some noted the ZVs are very supportive and efficient.<sup>317</sup> Furthermore, some councillors who initially faced this issue note that differences between councillors and ZVs have been resolved over time.

The LGA highlighted that they had tried to remedy the aforementioned issue by consulting with the CSC but thus far the hiring and firing practices remain unchanged.<sup>318</sup> The CSC continues to adhere to the Civil Service Act, which calls for an independent and impartial civil service. However, a circular was issued by CSC in October 2017 stating that all high-ranking civil servants must possess a minimum educational qualification of diploma certificate by June 2019 (i.e. within twenty months) if they wished to continue in their position.<sup>319</sup> The stated purpose of this was to improve the quality of services offered and to improve the standard of the managerial workforce within the civil service as a whole. This may eventually have an impact in local councils as well because unqualified individuals leading council offices will eventually be replaced with those with the necessary qualifications.

Councillors interviewed for the research were asked their opinion on the level of cooperation by civil service staff in general. The responses to this question ranged from being highly supportive to being very difficult. Reasons for difficulties included that some long-standing civil servants were used to the previous system and were not familiar with modern administrative methods, or that they were not reporting to the councillors directly. Councillors also cited systemic difficulties such as the low salary for civil servants making these jobs unattractive to more competent persons, and the long processes involved in creating new positions and announcing for vacancies.

According to the CSC, councillors always have an avenue to address a serious concern regarding civil service staff by directly lodging an issue with the CSC either in writing or requesting a meeting with the commission. In addition, the CSC framework allows councillors to raise these issues in the HRMD committee.320

Most island councils reported that they had between three to five staff while atoll councils reported that they had between 20-40. One atoll council reported that there were fortyseven staff currently in office. The CSC is currently testing a new system whereby each civil servant is trained to multi-task and to undertake a variety of functions rather than be specialised in one area. Termed as 'hybrid model', it is currently being tested in Raa atoll and is only started very recently, primarily to address the difficulties faced by island councils with less staff.321

#### 6.4 LEVEL OF ADMINISTRATIVE, POLITICAL AND FISCAL DECENTRALISATION

As explored in Chapter 2, decentralisation encompasses political, administrative, and fiscal decentralisation. The Maldives has seen mixed progress with regard to these several types of decentralisation.

#### **ADMINISTRATIVE** DECENTRALISATION

With pertinence to administrative decentralisation, councillors report that some functions have been passed to them that were previously available only from authorities in the capital. This included obtaining national identity cards or registering marine vessels. Councils can now issue marine-related safety certificates and business-related permits. Island councils also currently register births and deaths, though this function had previously been carried out by the island offices as well.

According to the arrangement that is currently in place, local councils act as intermediaries for applicants residing in an island and submit the respective application forms to the relevant ministry, which in turn sends the requested document/licence/ certificate to the council for the applicant to collect.322

Councils also have the legal authority to issue land plots after fulfilling the procedural requirements listed in the Land Act and its related regulations. In addition, councils report that they manage mosques (which also includes attending to burial services) and pre-schools (baby nursery only) and have municipal obligations as per the Decentralisation Law. However, it was also noted that decisions regarding administrative responsibilities are haphazard and often reversed. For instance, in 2016 they were informed that affairs related to mosques are no longer to be handled by councils and that permissions and permits are to be given by the Islamic Ministry instead.323

When asked whether councillors could identify other services that local councils could assume responsibility over, the respondents suggested the following as areas in which councils could play a larger role:

- Managing affairs relevant to uninhabited islands within their respective atolls, especially with regard to custodianship and leasing to private parties. Currently atoll councils are not always informed when an uninhabited island is leased to a private party and, therefore, cannot distinguish who have lawful access to the island from trespassers, and consequently they cannot report this information to the police should the need arise. This was highlighted as a security concern.
- Island councils being given more authority over the procedures for land approval. This will require amendments to the current system.
- Island councils being given the authority to issue national identity cards. One councillor from an island with a small population noted that they do not currently have the authority to do this and

318 Interview with Shamoon Adam. Director

- General, LGA. Civil Service Commission. 2017. Circular 319 13/2017, http://www.csc.gov.mv/v3/ wp-content/files/2017/circular/Circu-lar\_2017-13.pdf
- Meeting with Abdullah Saeed, Director 320 General, Civil Service Commission 321 Ibid
- Information given by Assistant Municipal Services Officer of Th. Veymandoo Coun-322 cil. Hamid Moosa (civil servant for 15
- years in the island administration office). The following was cited as an example that occurred after this change was 323 implemented: When an island wanted to hire a new staff for their mosque, three staff from the Ministry in Male' came to the island to conduct the interview of the candidate who had applied for the job. Previously, this would have been attended to by the island's council staff.

have to send applications to the closest island with a larger population that has the authority to issue such documentation. This was suggested to be changed.

# POLITICAL DECENTRALISATION

Political decentralisation refers to the level of community involvement in decisions that affect them. To gauge the extent to which this type of decentralisation has been achieved in the Maldives, this research enquired into how involved councillors were in the decisionmaking of the state and also the extent to which councillors themselves involved the community.

In the telephone survey, councillors were asked two separate questions: firstly, whether they were involved in policy-making and designing projects and programs; and secondly, if they were consulted in the drafting of regulations or legislation that affect communities directly.

The responses of councillors regarding the extent to which the central government involved councillors in policy making and project planning was mixed. Some island and atoll councillors reported that such consultations occurred whereas others responded negatively.

There was no obvious trend in these responses with regard to the political composition of a council (i.e. whether or not its majority was comprised of the ruling or an opposition party) and with regard to the population size of the island.

The following are some comments made by councillors in response to questions relevant to how much the central government involved them in the planning of development projects:

Regarding the involvement of councillors in policy-making, all councillors stated that

they were not involved in the drafting stage of laws and regulations, even in ones that directly concern them. Relevant examples that were given included the amendments to the legal framework that reduced the number of councillors and lowered the population requirements of an island for it to be considered a city. However, some councillors stated that in the earlier years the LGA had given them the opportunity to comment on draft regulations (for instance, regulations issued by the LGA to councils) prior to their issuance, but such opportunities were no longer presented by the LGA.

The Decentralisation Act requires councils to be open and transparent. Specific measures in the law include requirements to hold biannual open public meetings (by island councils), prepare five-year development plans with community consultations, publish financial information and transactions (including any contract work), and publish financial plans relevant to development plans.

During the interviews, both atoll and island councils were asked questions regarding their experiences with holding community consultations. With the exception of one island council, all island councils reported that they do hold the biannual public meetings specified in the Decentralisation Act. The council that failed to hold these meetings in accordance with the Act stated that they only managed to hold one meeting during their three-year term and that their predecessor also had trouble arranging community meetings.

In the interviews, the councils also shared further information on their experiences with holding community consultations:

 Reported attendance at these open public sessions ranged from approximately thirty people (Fuvahmulah and HDh. Nolhivaranfaru) to eighty (Sh. Funadhoo).

# TABLE 12: SUMMARY OF RESPONSES FROM TELEPHONE INTERVIEWS REGARDINGINVOLVEMENT OF COUNCILS IN DEVELOPMENT PROJECT PLANNING BY THECENTRAL GOVERNMENT

POSITIVE RESPONSES	NEGATIVE RESPONSES
Some councils gave examples of projects for which consultations had been carried out and incorporated. This included infrastructure development projects for SAARC summit in Fuvahmulah and some housing projects in other islands.	Some councils elected in 2014 noted that in their case, the councils were not consulted prior to the commencing of major development projects. Examples were the Laamu link road and a land reclamation project in Muli.
Harbour projects were also noted to take community feedback into account.	At best they were involved as a monitoring agency only or given the EIA for commenting purposes. These councils felt that this was insufficient level of involvement. Some councils noted that their five-year development plans are not incorporated or looked at all by the central government.

However, all councils felt that this was a low level of attendance. Many respondents noted that the turnout at such meetings were much higher in previous years in their islands than is the case currently. One councillor offered the opinion that attendance also depended on the agenda of the meeting. For instance, attendance is higher when immediately salient issues of the community – for example, a waste management scheme – is on the agenda.

- A councillor from HDh. Hirimaradhoo (who was serving his third elected term) noted that they have a public meeting every time they use community funds and have now completed a guesthouse and a children's park using these funds, with the community's support.
- A councillor from HDh. Kulhudhuffushi • noted that they faced the challenge of consulting a very large population. Given that they do not have a venue to accommodate a large group of people at the same time (and even if they did, the resulting audience would be too large for a meaningful consultation), they decided to explore alternative methods for consultation. For example, they once selected and trained twenty high school students to conduct an opinion survey and consulted 2,000 persons in the island, including prominent businessmen and other selected stakeholders. This was how information for the five-year and ten-year business development plans was collected.
- A few councils noted that they use social media to constantly update their community on the activities of the council, and to allow their community members to give feedback. Some councils maintain active social media accounts.
- Some councils, particularly those in large islands such as Fuvahmulah and Gan, noted that they do not receive support from their communities. Furthermore, they felt that their communities did not understand the value of these meetings.
- There have been some exemplary actions by some councils to involve their communities. For instance, HA. Dhidhdhoo enabled a livestream of their community meeting so that those who were unable to attend in person could also view the meeting. According to the councillor, 400 people viewed the meeting and the council also published a transcript of the meeting afterwards. Similarly, a councillor from F. Nilandhoo interviewed for this research said that they had placed five televisions displaying information relevant to their council in different locations across the island.
- Addu city council always have their biannual meeting in three locations: Hithadhoo, Maradhoo-Feydhoo, and

Hulhudhoo-Meedhoo. The same information is repeated in all three locations to ensure more of the population is reached and to make council meetings more widely accessible. The council has six separate meetings that a general member of the public can attend throughout the year. They reported an overall satisfactory attendance. This council also maintains an active website that is regularly updated.

The performance index award given by the LGA includes five components that analyses the extent of community participation in decision-making and measures councils on their transparency. For instance, one area into which the 'adherence to law' component enquiries into is whether councils hold public consultation meetings. The information on how many councils hold this meeting is not published separately in the report.

For the 'participation' component of the index, there are ten separate sub components, which includes efforts made by councils to engage with separate population groups such as the elderly, women, and NGOs. Thirteen atoll councils completed this part of the survey. The highest scoring atoll for participation was Thaa atoll with a score of 0.537 (where 1.0 is the highest score and 0 is the lowest score).<sup>324</sup> The average participation score for the remaining atolls was 0.10. The highest score for island councils in this category was attained by Sh. Milandhoo with a score of 0.343 (107 island councils did not report this information).

The results of this particular component need to be dissected further to understand whether the lack of desired outcome is due to councils not making enough effort or because of communities' lack of interest in being involved beyond elections. The results of the 2017 index are also not yet published at the time of reporting and it is critical that this particular component continues to be included in the performance index.

The central government needs to ensure the general public is sufficiently consulted, particularly during the initial stages of formulation of a project, in order to avoid possible scope changes during the course of the project. Furthermore, this is important in order to know and understand the needs of the public so that these inputs can be embedded into the designs.

# FISCAL DECENTRALISATION

With regards to fiscal decentralisation, the Decentralisation Act states that the central government must give a general grant to each council every year, based on a clearly identified list of factors that includes, amongst other things, economic and social rights of all citizens. Councils are also given the right to charge fees for the services they provide, lease out assets and seek loans from financial institutions. Councils can also run businesses and compete with the private sector to raise revenue. Both the constitution and the Decentralisation Act provide a framework for fiscal independence.

A review of the decentralisation framework in the Maldives carried out by UNICEF in 2013<sup>325</sup> stated that "substantial fiscal autonomy" was given in the legislative framework. However, the report concluded that island councils were "financial and fiscally disempowered, even more so than the preceding island development committees". Reasons for this assertion include that while almost all island councils did collect some revenue, mainly through land rents and registration fees, the MOFT had instructed these councils to transfer the rent money to the ministry. The authors of this report concluded that this contradicted with the Decentralisation Act. The UNICEF report also showed that some island councils transferred this money while others did not. The report also noted that the savings of some communities were frozen by the state (as discussed in Box 1). Furthermore, business ventures planned by the council were halted due to the long procedures in place to approve the necessary policies and regulations regarding these ventures.

The interviews conducted for this report show similar findings. Some councils still have been unable to access their frozen community funds. There are inconsistent land agreements made with third parties, notably with telecommunication companies, where some councils retain this rent money, and some send the money to the MOFT, the cited reason being the date the lease agreement was made.

There has also been experiences of regression in revenue generation. One atoll councillor reported that their council had leased off twenty-three uninhabited islands in the atoll at one point, which was used to generate a high amount of revenue that was distributed to island councils within that atoll. Then in 2013, the lease rights of all these islands were taken away. Other examples include some atoll councils being asked to hand over the atholhuge<sup>326</sup> premises.

As demonstrated in Section 6.3, councils reported that they faced challenges in raising funds for reasons such as not all councils have land, islands, or reefs to lease. The biggest frustration was experienced in the challenges in acquiring land under the council's name and the procedures that were necessary as per the Land Act and its regulations.

Councils from smaller islands face challenges of not having enough demand for services such as guesthouses or cafés (similar to those faced by any private sector operator). This is also noted in the 2013 UNICEF report. However, some councils have managed to successfully generate funds, some with the help of various land plots in their name, and some riding on the success of community savings that councils inherited from years of hard work by their communities. These savings have been well-managed and are accessible to the councils.

Respondents who contributed for this report were critical of the progress made over the past years in terms of fiscal decentralisation. The current fiscal grant was considered insufficient to carry out development projects beyond administrative running expenses.<sup>327</sup> The 2013 UNICEF report noted that 80 per cent of councils' budget had to be allocated for the salaries of civil servants.<sup>328</sup>

One-third of the councillors interviewed said the grant given by the government was insufficient and cited this as a major challenge to their work. They also said that the centrally determined salaries for the civil servants were too low and thus they were not always able to attract the most skilled and experienced staff. Other interviewees noted that no government administration in the Maldives has truly given sufficient financial power, beyond administrative support, to councils.

The majority of local councils in the country seem to be caught between limited revenue generation avenues and dependency on small government grants.

The current approach to state budgeting is very much controlled by the parliament and to an extent by the executive, depending on the ruling party's control over the parliament. In this regard the ruling party is then able to initiate development projects, prioritise particular projects closer to elections and allow for selected people to benefit from such projects.

According to the Organisation for Economic Co-operation and Development (OECD), fiscal decentralisation is difficult to measure and while most empirical studies focus on the share of central government spending or revenue as a percentage of total state budget, this is a misleading picture as this does not determine the fiscal decision-making power of councils. It is argued by OECD that this decision-making power is ultimately more important and consistent with the true concept of fiscal decentralisation. A suggested alternative measure is to enquire into the councils' taxing power, specifically how much discretion they have to levy, implement and retain taxes as a source of steady revenue, for financial stability and fiscal independence.329

If there is keen political will to speed up fiscal decentralisation in the country, then a clear strategic plan for fiscal decentralisation will be necessary and it is important that this is compiled in a participatory manner. Such a plan must also address the needs of various categories of councils, for instance smaller councils with a limited consumer base, or those who are already earning revenue

- 325 UNICEF. 2013. Study on Decentralisation Process in the Maldives with references to the impact on services to children, https://www.unicef.org/maldives/media/256/file/Study&20on%20the%20 Decentralization%20Process%20in%20 the%20Maldives.pdf
   326 Accommodation blocks, initially used
- 326 Accommodation blocks, initially used by former atoll chiefs, were built of high standards and thus were a source of revenue generation for atoll councils when leased as guesthouses.
- Interview by Ahmed Shahid, Head of Legal Department, LGA.
   UNICEF. 2013. Study on Decentralisation Process in the Maldives with references
- to the impact on services to children, https://www.unicef.org/maldives/media/256/file/Study820on%20the%20 Decentralization%20Process%20in%20 the%20Maldives.pdf
   S20 OCC. 2013. Measuring Fiscal Decen-
- 29 OECD. 2013. Measuring Fiscal Decentralisation, p. 50, <u>http://www.oecd.org/</u> governance/public-finance/measuring-fiscal-decentralisation-concepts-and-pol-<u>icies.htm</u>

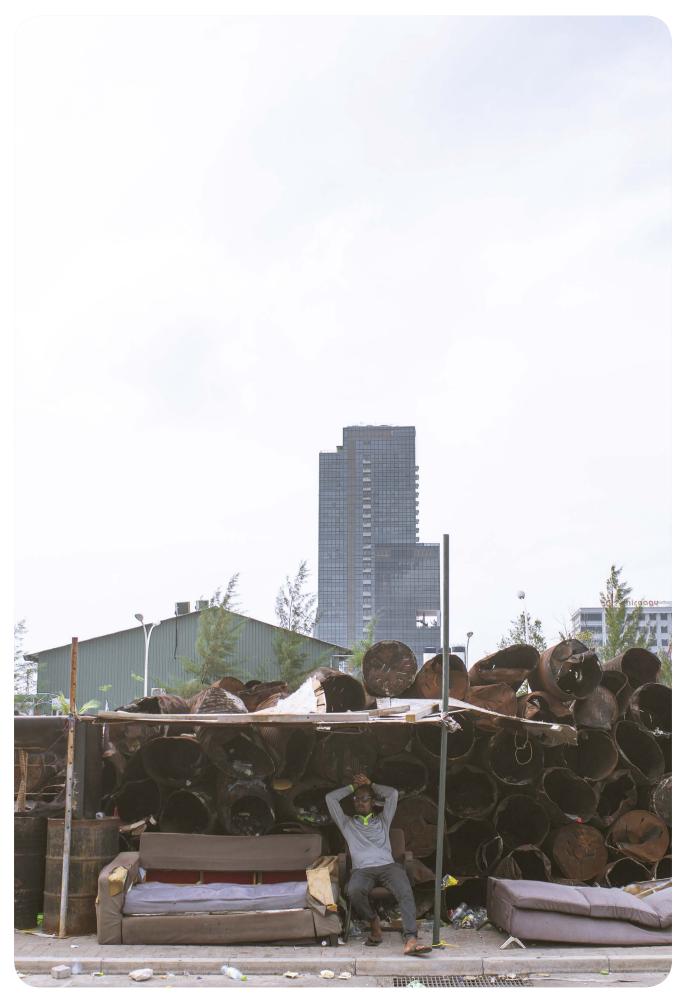
and need training in funds management and investment. The strategic plan should prioritise resolving inconsistencies in lease agreements and to assist with unfreezing community funds. Unless councils are given the space to earn revenue and retain this revenue, the ultimate budgetary result of decentralisation would only be additional costs (for example in terms of salaries of councillors).

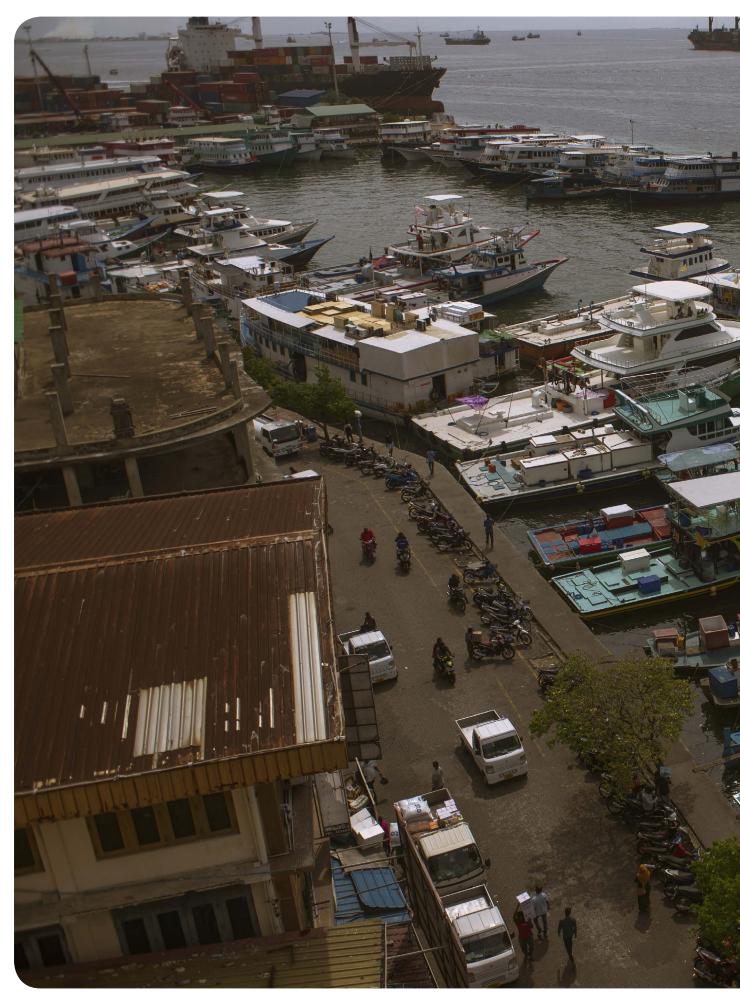
#### 6.5 CHALLENGES FACED BY LOCAL COUNCILS

One primary objective of this review was to identify the challenges faced by local councillors in the current framework. The following table lists identified challenges, grouped into those that were noted by councillors themselves and challenges that were identified by other interviewees.

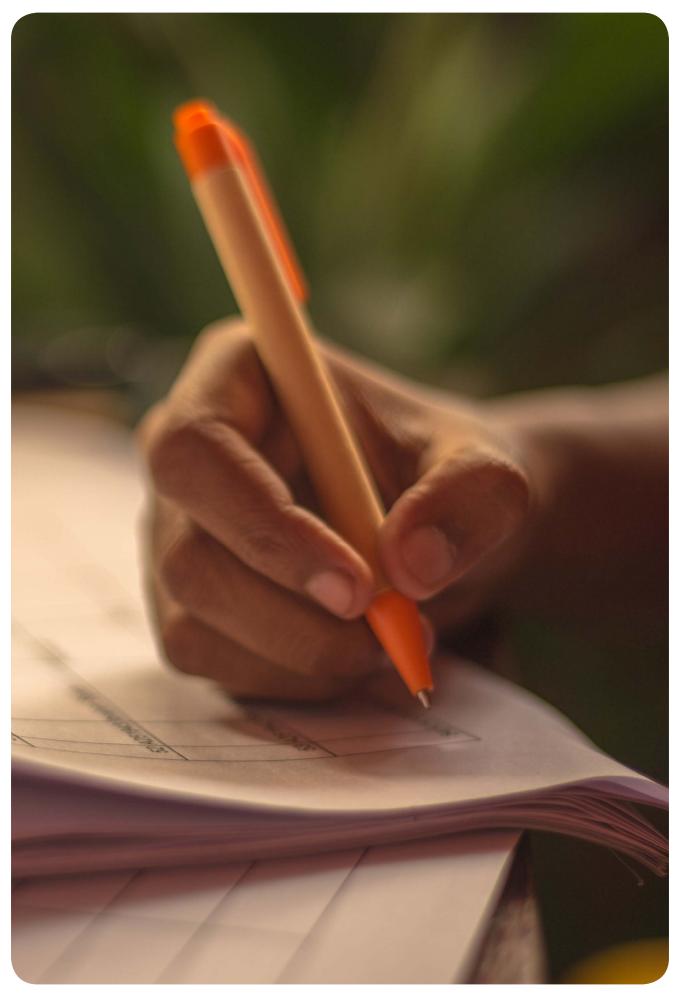
# TABLE 12: CHALLENGES AS NOTED BY DIFFERENT RESPONDENTS

CHALLENGES NOTED BY COUNCILLORS (IN TELEPHONE INTERVIEWS):	CHALLENGES NOTED BY OTHER INTERVIEWEES:
Lack of civil service staff in councils.	Lack of human resources in island councils. Some island councils have only three staff, and sometimes even they are incompetent.
Lack of support from civil service staff. Reported facing issues such as breach of confidentiality and having to contend with irresponsible and incompetent staff.	Lack of cooperation between civil servants and councillors at times.
Friction in working with the ZV.	Not all staff are willing to do the municipal work that is required to be done (such as overseeing waste management sites).
Lack of training opportunities. Not familiar with laws and council mandate.	High level of friction between ZVs and councillors.
Some councillors noted that their first term was difficult, but they learned while on the job and were more confident during their second term. They noted that new councillors will also face this issue and will require proper guidance and training.	Councils do not have sufficient budget. Grants from the government only cover salaries and running costs.
Limited financial resources allocated by the state.	There are conflicting laws and mandates (in other institutions) which are not yet resolved.
There are too many restrictions when councils try to raise own revenue (such as getting permits for land or business).	Councils are not empowered to the extent envisioned in the Decentralisation Act.
Lack of resources, including finances, to implement development plans.	Some councils do not know how to generate income through resources.
Some councils do not have access to funds that they had previously raised themselves.	Some islands have inherent development challenges. The type of challenges vary: for example, some islands may have a high drug abuse problem, some communities may have a strong desire to relocate, and some islands suffer from severe erosion).
Procedures in the Land Act and regulations contradict with Decentralisation Act.	There is too much party influence in the work of local councils.
Some councillors noted that it was difficult to draft their own five-year development plan as there is no national development plan they can align this with. They further noted that in instances where local councils did prepare development plans, the government did not give any support or refer to these plans.	Three years is too short for a council deliver meaningful results.
Difficult relationship with LGA.	Not enough technical information is made available to councillors regarding how to do their job (land management, for example).
Slow process to get approvals and permits from ministries.	Civil servants are sometimes asked by councillors to conduct illegal procedures, resulting in conflicts and standoffs.
Lack of authority, at times, to implement the development plan prepared by councils.	





# CHAPTER 7. OTHER CHALLENGES FOR DECENTRALISATION AND WAY FORWARD



## CHAPTER 7: OTHER CHALLENGES FOR DECENTRALISATION AND WAY FORWARD

In 1971, the Maldives was grouped amongst the Least Developed Countries of the UN, which comprised of countries with a GDP of US\$100 or less.<sup>330</sup> By 1995, the Maldives recorded the highest GDP per capita among South Asian countries.<sup>331</sup> The World Bank has referred to the economic growth in the Maldives as a "development success story",<sup>332</sup> highlighting in particular that in the 1980s it was among 20 of the poorest countries in the world and now, in 2014, is a middleincome country with a per capita income of US\$7,600.

However, this economic and social progress is not uniformly spread throughout the nation.<sup>333</sup> The geographical formation of the islands and the thin spread of the population to dispersed communities create significant challenges to development. The resulting high costs involved in providing infrastructure and social services led to an uneven access to basic services such as healthcare and education.<sup>334</sup>

With the development of tourism in the central atolls and the expansion of higher education in the capital, significant migration flows started from other islands to the capital. The census of 2014 reported that 44 per cent of Maldivians had at one point migrated to another island, and of these the majority had moved to Male'.<sup>335</sup>

These internal migratory trends have resulted in intractable issues within the capital, including congestion, rising rent prices and increasing urban poverty. The current government has repeatedly announced its plans to develop Hulhumale, a reclaimed island that is also a suburb of the capital island, and to relocate 70 per cent of the atoll population to this island.<sup>336</sup>

Currently Male' city council is not involved in the municipal affairs of this island and all development and municipal activities are undertaken by a public corporation. The Maldives also currently faces issues and challenges to growth that are inherent to other small island developing states (SIDS). These include: being vulnerable to external economic and financial shocks whilst maintaining an open economy; over-reliance on tourism and fisheries; high internal transport costs; and lack of arable land for agriculture. In addition to these, all countries now face the consequences of climate change, and some SIDS such as the Maldives are uniquely vulnerable.338

Another challenge that the Maldives is now facing is the growing number of expatriate workers in the country. Currently there is approximately one foreigner for every four locals. While these workers contribute significantly to the economic growth and development, there are also some social issues arising from congestion (particularly in the urban islands) and inhumane treatment of these workers by their employers. Another issue is that the true number of expatriate workers in the country is unknown,<sup>340</sup> making it difficult for accurate planning to be done for municipal and development plans at the national and local levels.

The Maldives lacks a long-term national development plan or strategy. If the government does endorse such a plan, there is no legal obligation by the government or state institutions or a subsequent government to adhere to it.

Thus, a consequence of change of government in the past ten years is the adoption of development policies that are fundamentally at odds. For example, the current administration has an overt policy of centralisation despite efforts at decentralisation by the previous government. This creates a difficult environment for councils to develop their five-year plans. There is also a hesitancy by the private sector to invest in islands outside of urban areas or large population centres, when future for these islands is uncertain.

Political tensions in the country are now escalating again, as the presidential election of 2018 approaches. International authorities have also expressed concerns regarding the arrests of politicians and parliamentarians.<sup>341</sup> As the Maldives completes a decade of multiparty elections, the country has significantly regressed in some areas used to measure the strength of a democracy, such as freedom of expression and freedom of the press.<sup>342</sup>

- 330 UN. LDCs: Historical Background, <u>http://</u> www.un.org/events/ldc3/prepcom/
- history.htm 331 Asian Development Bank. 2015. Maldives: Overcoming the Challenges of a Small Island Development State, p. 1, https://www.adb.org/sites/default/files/ publication/172704/maldives-overcom
- ing-challenges-small-island-state.pdf 332 World Bank. 2016. Country Context, http://www.worldbank.org/en/country/

333 World Bark. 2016. Country Snapshot, http://documents.worldbark.org/ curated/en/547601476772013083/ Maldives-Country-snapshot; President's Office. 2013. Income disparity between the rich and poor has increased in the Maldives: President Waheed, <u>http://</u> presidencymaldives.gov.mv/Press/ Article/8551

- 334 Ministry of Planning and National Development. 2001. Sixth National Development Plan 2001-2005, p.8; World Bank. 2000. Memorandum of the President of the International Development Association to the Executive Directors on a Country Assistance Strategy for the Republic of Maldives, p. 5, http://documents.worldbank.org/ curated/en/698401468774708207/
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- a small island Development State, p. 1, https://www.adb.org/sites/default/files/ publication/172704/maldives-overcoming-challenges-small-island-state.pdf UN. 2015. Issues Facing Small Island
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   MMA. 2013. The Expatriate Workforce: Boon or Bane?, <u>http://www.mma.gov.mv</u>
- documents/Quarterly%20Economic%20 Bulletin/2013/QEB-Q4-2013-Article2. pdf 340 Ibid.; HRCM. 2009. Rapid Assessment
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- 341 PGA. 2018. PGA Concerned about Repeated Violations to Human Rights and the Rule of Law in the Maldives, http://www.pgaction.org/news/pga-con-

cerned-about-repeated-violations-maldives.html; EU. 2017. Joint statement on the situation in the Maldives, https:// eeas.europa.eu/delegations/sri-lanka\_en/30384/Statement%20on%20 the%20situation%20in%20the%20 Maldives; OHCHR. 2018. Rule of law under siege in the Maldives, http://ohchr. org/EN/NewsEvents/Pages/DisplayNews. aspx?NewsID=22650&LangID=E

342 Reporters Without Borders. 2016. RSF calls on Maldives to stop dismantling critical media, <u>https://rsf.org/en/news/ rsf-calls-maldives-stop-dismantling-critical-media;</u> Freedom House. 2017. <u>https://freedomhouse.org/report/freedom-press/2017/maldives</u>









Decentralised governance and elected local councils were established in the Maldives during 2008 to 2010, with the ratification of the Constitution, the passage of relevant legislation (chiefly the Decentralisation Act) and the inauguration of the local council elections. This was the culmination of many years of effort for democratic reforms, entailing much community consultations, research and political debate.

The ultimate objective of a decentralised administrative governance is stated in the Decentralisation Act, which 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". In enquiring into the extent to which the decentralisation framework fulfils the purposes, goals and milestones listed in the Decentralisation Act the following observations are made.

Findings of the research showed that the powers of the councils are restricted by the limited resources with which they are forced to operate. In general councils reported staff shortages; having insufficient funds to offer the kinds of salaries required to attract highly skilled staff; and procedural challenges in gaining access to land which can be used as a highly reliable revenue generating source.

A number of councillors noted that they had clashed with the most senior ranking civil servant in the office. This was an issue that had proved to be challenging for many

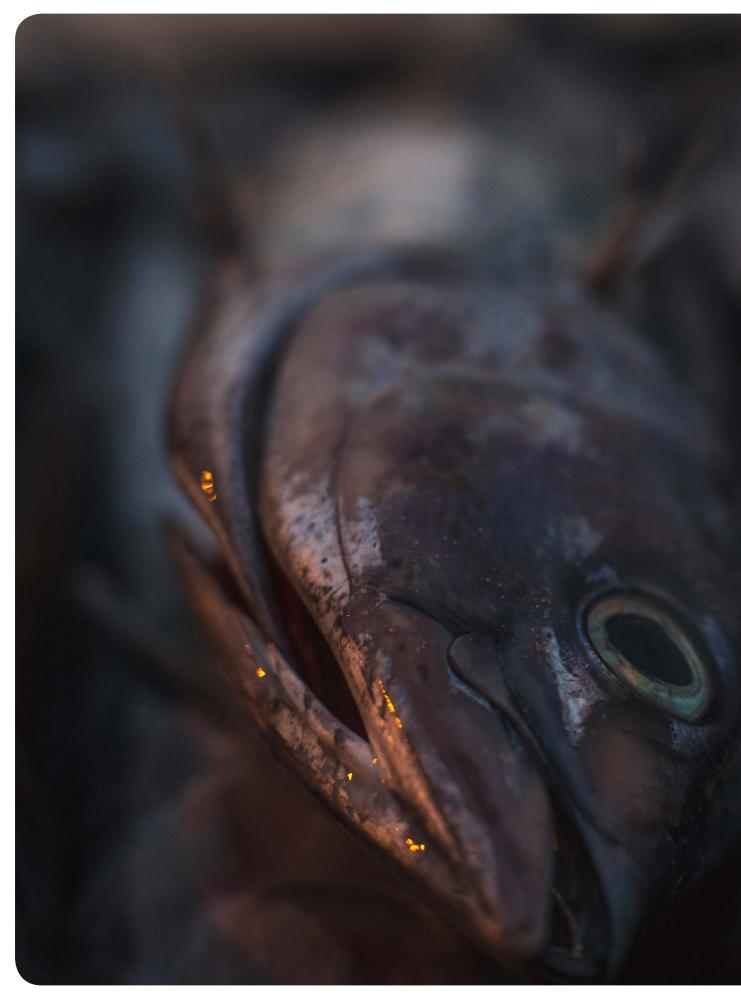
## **CHAPTER 8: CONCLUSION**

in conducting day to day activities. This issue was particularly pronounced for the councillors who won the initial round of local council elections.

In terms of access to services, there have been some improvements. A few government services can now be easily obtained by communities because they can go through the relevant council office rather than having to travel to the capital city, as was the case previously.

The interest by communities in taking part in local community development has waned, particularly in the larger islands. This is demonstrated by declining voter turnouts and lower levels of attendance in community meetings.

With regard to the LGA, this body has grown considerably since inception in 2010. It has also undergone internal reforms, some of which have resulted in greater control by the central government. Training and monitoring efforts by the LGA have not been consistent in recent years, even though previous efforts had been positively received and appreciated by both councils and relevant stakeholders. Finally, the overall legal framework provided for decentralisation in the Maldives, chiefly the Decentralisation Act of 2010, is viewed by most respondents as appropriate for the country. However they note that its provisions are not implemented in full partly due to procedural conflicts with other laws and regulations. Fiscal decentralisation has been limited to a minimal grant, while it appears that revenue-generating know-how, powers and opportunities are not equally present for all councils.



# CHAPTER 9. RECOMMENDATIONS

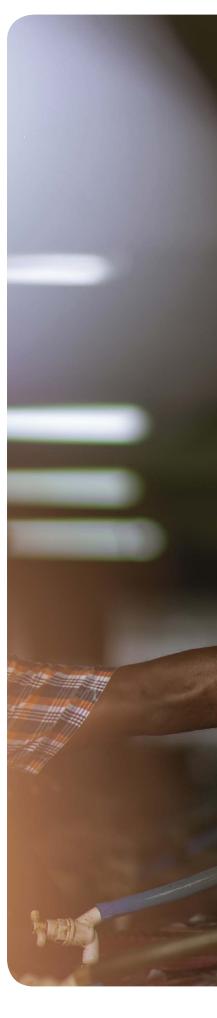
# **CHAPTER 9: RECOMMENDATIONS**

The following are the key recommendations for the government to strengthen the decentralisation framework, based on research findings.

- Implement meaningful fiscal decentralisation with a view to improving community ownership of resources and its governance. This would in turn reduce reliance on central government for fiscal resources and ensure local accountability.
- Implement monetary grants for local councils as set forth in the Decentralisation Act.
- Incentivise well-performing councils with access to resources and training opportunities.
- Promote revenue generation in communities by implementing an equitable revenue sharing system.
- Hand over State assets at community level to local councils.
- 2. Adopt inclusivity in the national development planning processes. This would entail meaningful participation of communities in the formulation of development plans, implementation and monitoring of projects.
- Establish participatory decision-making processes in the national development planning processes at community level
- Allow communities to implement own vision for community that is in-line with the national development framework and Sustainable Development Goals.
- Community participation must be sought to ensure accountability in the implementation and monitoring of development projects.
- Ensure local councils are provided with regular and comprehensive trainings and other capacity building opportunities.
- Provide prompt orientation trainings for all newly-elected councillors after every election.
- Create more opportunities for councillors to network and learn from each other's successes and failures (including from previous councillors).
- Host annual symposiums for local councils to voice concerns and discuss solutions with state institutions.
- Speed up the development of the planned online training platform and enrich this with a useful and comprehensive variety of resources and self-development courses, in collaboration with relevant partners.
- Continue to regularly monitor all councils using measurable indicators and address all the issues that are highlighted
- Include city councils in the current

monitoring framework of LGA so that their constituents have a tool to assess the performance of their elected officials.

- Work with councils to ensure all indicators in the current monitoring framework are measurable and reported by councils.
- Analyse the indicators thoroughly to ascertain challenges and areas that councils need more assistance with.
- 5. Review the performance, role and mandate of the LGA
- Review the current mandate of the LGA and assess their progress with reference to all their assigned tasks and responsibilities.
- Conduct a review of implementation of the LGA's Strategic Action Plan 2016-2018 and a mid-term review of LGA's Strategic Plan 2016-2020.
- LGA to assist local councils in resolving issues with other state institutions
- Conduct regular reviews of LGA in a participatory and transparent manner
- Review the organisational framework of the LGA with a view to strengthening and facilitating the functions of the councils.
- Issue guidelines for the LGA to follow when monitoring councils to ensure consistency and clarity. Develop such guidelines with multi-stakeholder participation.
- Include a clear complaints mechanism for councils to follow regarding submitting any complaints against the LGA, including the procedures for the evaluation of these complaints
- 6. Increase the participation of local councils and communities in development planning and consult them when drafting legislation, particularly those that directly impact them
- Develop procedures specifying how and when government departments and ministries must involve local councils in development planning.
- Procedures should include how and when local councils must consult their community and give fair opportunity for participation. Discretion should be given to councils to have their own methods of consultation, depending on the size of the community and past experiences.
- National planning units and state budget committees should consider island development plans and atoll development plans when determining projects for islands.
- Consult local councils in legislative reform that impacts local councils directly.
- Conduct large public awareness programs to encourage and educate communities to engage with and monitor the work of their councils effectively.
- Identify all vulnerable groups in





communities and ensure planning process and outcomes are inclusive of all groups including expatriates, elderly, and those with special needs.

- Develop and enforce a framework for registering long-term migrants to vote in new constituencies
- 7. Address the challenges faced by councils with regard to the civil service
- The Civil Service Commission should identify and analyse in depth the current challenges faced by councils in working with the civil service. This can be done via an independent nationwide survey, focus group discussions or other such methods.
- Agree on a framework for a regular review of the challenges faced by both councils and civil servants in council offices. Such regular formal reviews may highlight systemic issues and identify the difficulties faced by both.
- Review the organisation charts for island and atoll council offices that were initially agreed between local councils in 2010 and ensure if they are still the optimal structure for today.
- A level of direct accountability towards the community and local councils must be established for the civil service and other parties engaging in the implementation of projects in the community.
- 8. Empower councils to fulfil their mandates as envisioned by constitution
- Ensure stability in the mandates and powers of all councils by detailing the powers and responsibilities of city councils in law, as determined by parliament, with any changes to be made after open and consultative debate.
- Amend laws, regulations, and procedures to allow greater authority for island councils with regard to the use of land within their constituencies, as per approved Land Use Plans and approved annual land allocations.
- Harmonise the Public Finance Act and Decentralisation Act to ensure the optimal framework for sustainable and resourceful local councils, while ensuring annual audits are carried out.
- Develop a strategic and medium-term plan for fiscal decentralisation that includes incentives for raising revenue as well as removing inconsistencies in fiscal decentralisation.

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#### ANNEX 1: LIST OF INTERVIEWEES

Anti-Corruption Commission - Hassan Luthfee, President

Anti-Corruption Commission - Muaviz Rasheed, Vice President

Anti-Corruption Commission - Sofwath Ahmed, Member

Attorney General's Office - Aishath Mohamed, State Counsel

Auditor General's Office - Ibrahim Naeem, Director, Public Sector Audit

Civil Service Commission - Abdullah Saeed, Director General

Civil Service Training Institute -Fathimath Habeeba, Director, Head of Institute

Civil Service Training Institute - Zarana Ibrahim, Senior Training Coordinator

Civil Service Training Institute - Aishath Shareef, Training Coordinator

Local Government Authority - Mohamed Shafeeq Mahmood, CEO (appointed on 28 September 2016)

Local Government Authority -Shammoon Adam, Director General, Division Head for Planning and Monitoring Division

Local Government Authority - Azhath Rushdy, Director of Projects and Planning Local Government Authority - Mohamed Naseer, Director of Training

Local Government Authority - Ahmed Hassan, Director, Head of Monitoring and Evaluation Department

Local Government Authority - Ahmed Shihad, Director, Head of Legal Department Maldives Independent - Naish Ahmed, Acting Editor

Maldives Land and Survey Authority -Mohamed Shafy, Director General

Maldives Land and Survey Authority -Ibrahim Areef, Land Officer

Maldives Land and Survey Authority -Aishath Ibadhaa, Legal Assistant

Male' City Council - Shamau Shareef, Deputy Mayor

Ministry of Finance and Treasury -Fathimath Razeena, Financial Controller

Ministry of Home Affairs - Shareef Nafees, Director General (previously worked at Ministry of Atolls Administration)

United Nations Development Programme - Nasheeth Thoha, Assistant Resident Representative

Abdul Rasheed Hussain - Minister of Atolls of Administration in 1993 Abdulla Muizzu - Attorney General from April 2011 to February 2012; total 13 years in Attorney General's Office

Ahmed As-ad - State Minister of Finance and Treasury from December 2008 to February 2012

Ahmed Shukree - former CEO, Local Government Authority Ali Hussain, Member of Parliament for Kendhoo constituency

Husnu Al Suood - Attorney General from 2009 to 2010 and Member of Special Majlis from 2005 to 2008

Ibrahim Mohamed - former Deputy Minister of Ministry of Home Affairs and in charge of the province office for Meemu, Faafu and Dhaalu atolls from May 2010 to 2012

Mohamed Ahmed - served as Atoll Chief between 1986 and 2007 (Ari, Noonu, Dhaalu, and Kaafu atoll, and temporarily in charge of Huvadhu, Faafu, and Vaavu atoll offices) and currently Executive Director of Ministry of Home Affairs

Mohamed Aslam - Member of Parliament for S. Hithadhoo North constituency

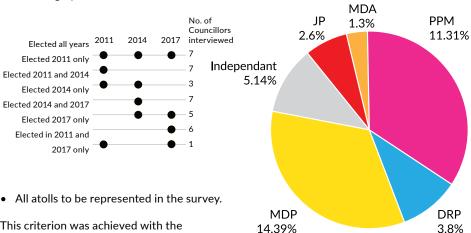
Salma Fikry - worked at Ministry of Atolls Development from 1999 to 2007; last position held at the Ministry was Director of Community Development.

# **ANNEX 2:** SELECTION OF COUNCILLORS FOR THE **TELEPHONE SURVEY**

Certain factors were kept in mind in the selection of councillors for the telephone survey conducted for this report. The following lists these factors as well as describes how the final selection compared with the intended criteria.

- Interviews are to be conducted amongst • councillors elected in all three local council elections
- This criterion was achieved as indicated in the infographic below.
- 35 per cent of councillors to be represented by MDP, 35 per cent from PPM/DRP and the remaining from other parties and independent candidates.

This criterion was achieved as indicated in the graph below. Of the councillors interviewed, three reported to have changed their party representation during their term in office. For the purposes of this report, their latter party affiliation is considered.



This criterion was achieved with the exception of one atoll - Alifu Alifu.

 Island councils to be selected from large and small populations.

This criterion was achieved in the selection of thirty-one island councillors for this report. The population statistics of the 2014 census was considered in grouping islands into different population sizes. The following table gives the number of interviews conducted grouped by population sizing.

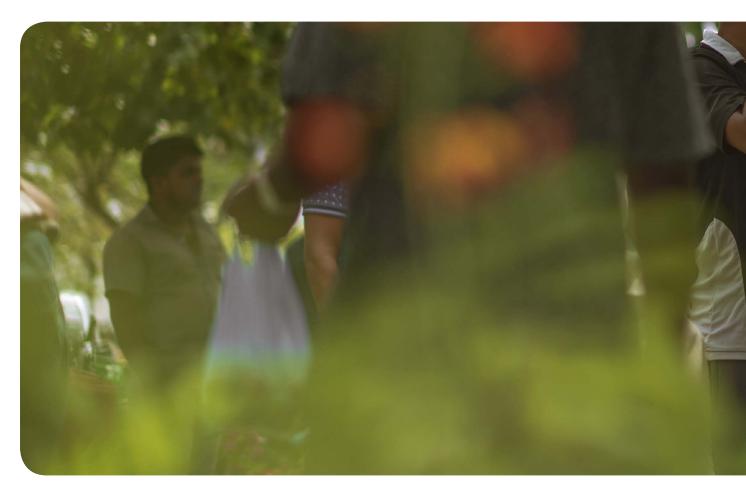
Population grouping (census 2014)	Number of interviews (island councils only)
Less than 500	10
Between 500 and 1,000	3
Between 1,000 and 2,000	7
Between 2,000 and 3,000	8
Above 3,000	3

Two of the respondents were female, although effort was made to reach out to more female councillors. Furthermore, twenty-three of the total thirty-eight respondents were either currently or served as president/mayor of their respective council. Seven respondents were members and two respondents were vice presidents. Telephone interviews included eight who served or were serving as atoll councillors, three who served or were serving as city councillors, and twenty-seven who served or were serving as island councillors. In addition to these thirty-eight telephone interviews, one face-to face open interview was conducted with a city councillor.

# ANNEX 3: SURVEY QUESTIONNAIRE FOR COUNCILLORS

Questions for councillors	Purpose	Translation
What are the government services avail- able in your island through branches of the relevant ministry?	Find out the extent of administrative decentralisation in the country and the way that this was done. Determine when these were introduced, quality, and differences between population size and service delivery (deconcentration vs devolution vs delegation)	איז איז העירה הפוז בהראי איידה בעליק אייל קוד זערון פאינטייטיע איינאיע קעבעליר?
What are the state services available through state companies in your island?		- 2000 - 2000 - 200 אין
What are the government services available to citizens through island or atoll council?		געד / גד געריים איני איני גרי קרייני איני האינ / אינ איניעיש בצע אינייע איניגע איניגע דייך אינטייע קרבים?
What other services do you think island or atoll councils should provide? (immedi- ately or in the future)		בי הפציע היית הנקבתה הפצי / ייצ בי הפציע היית הנקבתה הפצי / ייצ עהייט-פי ייני אייע בקייני צייים? (ביציע ביית יעבת ביים בייני פיני איים? (ביציע ביית יעבת ביים ביים בייני ביני ביים היינים ביים ביים
Do NGOs provide any basic services in your island? (eg: pre-school, maintenance of mosques, mortuary services, cleaning of island, power house)		פתי הינצית הרפשי בצר הרגעיי הרק העיניר היישין הנצית הרפשי בצר הרגעיי הגרת שיעיניר היישין העיציה בקייתי הבקר לאישירותם? (בייציעי גרצי ביישיני בישיים של הראשי קייתם יישי אנישיני היני הייש העיניי
Are island or atoll councils consulted by the central government or donors in poli- cy-making and project planning? To what extent are councils consulted? (note with examples and compare with the work of former island development committees)		د
Are island or atoll councils consulted in drafting laws and regulations? (provide examples of specific laws and regulations)	Level of political decentralisation in the country Are citizens involved in council's decision making?	צינייני יעצים בפתים הבכבת הילאמים איריט יעצים ביינים הערכים / בניינים (ביייבתי - פין ביניינת/בפתינה)?
To what extent and how do you (i.e. island or atoll council) provide opportunity for your island community to participate in public consultations? Is there support for public consultations? (eg: participation in consultations for land use planning and island development planning)		גרי / גיצר האת ביי קרי ייד ביי ארי איני קרי איש / האיני האת באיש קרי היבי קרי עריים ביי באישיי אישיי עריים גערי באישיי אישיי עריים גערי בערי אישיי ביים אישיי עריים גערי בערי אישיי גערי הערי אישי ביי גים שערי ביים
In your opinion are the training provid- ed by LGA sufficient? (If you have not participated in a training, do you face any difficulties because of it?)	Training opportunities	وَحَدَّوْ دَوَسُوَسُوْ بَرْمَ مِرْجِدِ قَدْ مَدْ مَرْمَ مِرْجَدَةُ وَحَدَّوْ دَوَسُوْنَ وَسُوْمَ مُرْمَ مِرْجِدِ قَدْ مَدْ وَدَوْ مِسْمَدَةً (مارسوو) وسروما مُرْمَ مَدْ مَدْ مَدْ مَدْ مَدْ وَحَدَّةُ سَمَّوْسُ مَرْجُوعَانُ مِرْجَعَةُ مَرْجُومَ؟))
Do you know the Civil Service Training Institute (CSTI)? In your opinion are the training provided by the CSTI sufficient?		ور در مردم مردم مردم مردم مردم مردم مردم

Have you attended trainings on decen- tralised governance conducted by organi- sations other than the LGA and the CSTI? If yes, please share your experiences of these trainings.	Training opportunities	مۇچىد مىر جەم يومۇ، يەرى مۇس ئەتھە بىشى (قەدىرىنى بىيدۇمى) ھەتىدىدەر ھەرەبرەسى ھەرەبروسە، دەدىيى ھەتىرىدەر ئىھەرى
Please share your experiences working with civil service staff in the council and the level of cooperation received by the Civil Service Commission in general.		יאר מיש אר גער איז
Does the council raise funds? What is done with the funds raised? Does the council have a trust fund / cooperative / business / donation? How were these experiences?	Resource mobilisation	مِرَ ١٦ مَرْسَ مَوْسُ وَمِ مَدْوَدُ مَمُوسُ حَسَمَ مَدْمَ مَوْمُ وَمِ مَدْوَدُ مَمُوسُ حَسَمَ مَعْمَ مَوْمَ مَدْمَ وَمِرَ مَدْ وَمِسْمَا مُوَمُ مَعْمَ مِنْ مِنْمَ مَدْمَ وَمَرْ مَدْمَ وَمَرْ مَدْمَوْمُ وَمَدْ مَدْمَ وَمُوْمَ مُوْمَ مَوْمَ مَوْمَ وَمَدْمَوْمَ وَرَوْمَ وَمُرْكَ مَدْمَ مَدْمَ مَوْمَ مُوْمَ مُوْمَ مَوْمَ مُوْمَ مَوْمَ مَوْمَ مَوْمَ مَوْمَ مُوْمَ مَوْمَ مُوْمَ مُومَ مُوْمَ مُوالْمُ مُوْمَ مُوْمَ مُوالْمُ مُوْمَ مُومُ مُومُ مُوْمَ مُوالْمُ مُوالْمُ مُوالْمُ مُوالْمُ مُوالْمُ مُوالْمُ مُوالْمُ مُوالْمُ مُولُ مُوالْمُ مُومُ مُولُ مُوالْمُ مُوالْمُ مُوْمَ مُ مُوالْ مُ مُوالْ
What are the challenges that you face in delivering your responsibilities as a councillor?	They will be given the opportunity to list all the challenges they identify here	ינים גישט ג מר מיני געריי על גע ארייתי ארצער בי-ארצערע העי ארצע גערי אריע של געקעיי אשי
Is the Decentralisation Act appropriate for the Maldives? Is the law implemented in full?	Gaps in Law and any failures in imple- mentation	אירי איני איני ג' ג' ג' געיא ג' געיקא ארשרי געיער געיער געיער ג' ג' ג' ג
What are the main achievements of the Act in the past 7 years?	Political, administrative, and fiscal achievements	ב צינגני עינים אייסטיים בעיניים ב צינותנ עינית האייפטינים בעיניים עינסרסייע עיס? עינסרסייע עיס?



#### **ANNEX 4:**

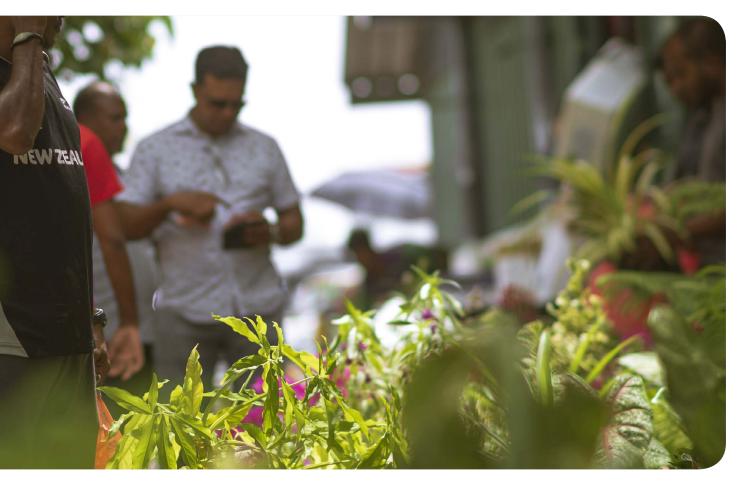
# COUNCILS THAT PARTICIPATED IN THE TELEPHONE SURVEY (THIS INCLUDES COUNCILLORS WHO WERE ELECTED IN 2011, 2014, AND/OR 2017)

- 1. B. Dhonfanu Island Council
- 2. B. Eydhafushi Island Council
- 3. B. Kamadhoo Island Council
- 4. B. Fehendhoo Island Council
- 5. F. Nilandhoo Island Council
- 6. Gn. Fuvahmulah Dhiguvaadu Council
- 7. GA. Dhaandhoo Island Council
- 8. GA. Villingili Island Council
- 9. GDh. Thinadhoo Island Council
- 10. HA. Dhidhoo Island Council
- 11. HA. Kelaa Island Council
- 12. HA. Thakandhoo Island Council
- 13. HDh. Nolhivaranfaru Island Council
- 14. HDh. Kulhuduffushi Island Council

- 15. HDh. Hirimaradhoo Island Council
- 16. K. Gaafaru Island Council
- 17. L. Gan Island Council
- 18. L. Mundhoo Island Council
- 19. Lh. Naifaru Island Council
- 20. M. Raimandhoo Island Council
- 21. N. Henbadhoo Island Council
- 22. R. Dhuvaafaru Island Council
- 23. R. Vaadhoo Island Council
- 24. Sh. Komandoo Island Council
- 25. Sh. Funadhoo Island Council
- 26. Sh. Noomara Island Council
- 27. Th. Hirilandhoo Island Council
- 28. Dh. Atoll Council
- 29. GDh. Atoll Council

- 30. HA. Atoll council
- 31. Kaafu Atoll Council
- 32. Lhaviyani Atoll Council
- 33. Meemu Atoll Council
- 34. Thaa Atoll Council
- 35. Vaavu Atoll Council
- 36. Fuvahmulah City Council
- 37. Addu City Council (two interviews)

In addition to these telephone interviews, an in-person interview was conducted with Male' City Council.







#### REVIEW OF THE DECENTRALIZATION FRAMEWORK IN THE MALDIVES

A Coalition for Integrity

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