

**Government of the Maldives
Ministry of Atolls Development**

**Text for inclusion in the
Seventh National Development Plan
2006 - 2010**

Draft 13 November 2006

Volume I: Policies and Strategies

Chapter 3: Vision, Goals and Key Strategies

Section 3.4 on p 25, after “Democratisation and promoting human rights”, it is suggested the following phrase be added:

“Decentralising government and establishing elected local councils “

PART V: GOOD GOVERNANCE

Likewise on p 149, after “Democratisation and promoting human rights”, it is suggested the following phrase be added:

“Decentralising government and establishing elected local councils “

Chapter 33: Democratisation

33.1: Electoral Reform

33.2: Parliamentary Development

Section 33.3: Local Government

Note: It is suggested the word “System” be dropped in the title for this section.

Current Situation and Issues

1. The goal of strengthening good governance and democracy in the Maldives also requires complementary reforms for the system of local government at the atoll and island levels. The Human Rights Survey indicated that a large majority of the population expressed dissatisfaction with local administration and expressed wishes for electing local government councils. The Ministry of Atolls Development has for some time been considering how this might be achieved within a larger framework of government decentralisation.
2. At present, with the exception of Constitutional provisions for the presidential appointment of Atoll Chiefs, the system of local administration is not based on law, but the interpretation of presidential or ministerial decrees and regulations. A law on local government is needed to establish elected local councils and to clarify the roles, responsibilities and resources of these councils vis à vis the central government.
3. While island communities in the Maldives have a long tradition of self-reliance, the current system of local administration is highly centralised. Local officials are required to seek approval and decisions from central ministries on numerous matters, even minor ones. This causes delays and inefficiencies in service delivery, undermines community self-reliance, and has resulted in frustration among citizens, local officials and staff. To ameliorate these problems, steps are needed to delegate authority and decision making from the center to atolls and islands.
4. Under a centralised system of local administration, government officials are primarily accountable to their parent ministries, not to the communities they

serve. This undermines the ability of local officials to respond effectively to community demands. Local citizens have few means to remedy poor performance or misconduct. A system whereby local administrators answer instead to elected councils would largely remedy these problems.

5. Centralised administration also means that communities have little control over available resources for service delivery and local development. The current process of planning and budgeting does not provide adequate opportunities for citizen participation. Locally generated proposals may or may not be funded. Available resources may or may not be allocated according to local priorities. This has often lead to unmet expectations, further frustration and lack of interest among island communities in participating as members of IDCs, ADCs and other organisations for local development.
6. While islands vary, citizen participation in planning and development is generally weak and ineffective. This is partly because the current system of local administration provides neither framework nor opportunities to practice it, and partly because few local officials and administrators are familiar with the process or have tried to implement it. Steps are needed not merely to promote participation, but to empower communities to regain and strengthen their traditional practice of self-reliance.
7. The establishment of local councils will require a concerted programme of capacity building and technical support for elected councillors, administrative staff and community groups. Councillors will need advice and guidance on their roles and responsibilities. Administrative staff will need assistance in acquiring additional skills for undertaking expanded functions and tasks. Programs will be needed to ensure that all have a thorough understanding of the principles of good governance.

Policies and strategies

Policy 1: Strengthen local governance by promoting decentralised government and administrative reform

Strategies

- 1.1: Enact legislation to decentralise government administration to islands and atolls
- 1.2: Transfer responsibilities and resources from central government to island and atoll councils
- 1.3: Establish local councils
- 1.4: Enable local councillors and administrative staff to undertake their responsibilities and functions

Policy 2: Empower local communities to be self-reliant

Strategies

- 2.1: Promote the adoption of good governance principles by local councils
- 2.2: Introduce a system and process for participatory development planning
- 2.3: Enhance the provision of local public services to island communities

Volume II: Sector Road Maps

PART IV: Governance

Chapter 31. Democratisation

Section 31.3. Local government

Note: (i) It is suggested the word "System" be dropped in the title for this section.

Goal: An improvement in the living standards of island and atoll communities by facilitating their socio-economic development				
Policies & Strategies	Performance Target or Indicator	Responsible agency	Cost (Rf million)	Cost Items
Policy 1: Strengthen local governance by promoting decentralised government and administrative reform				
Strategy 1.1: Enact legislation to decentralise government administration to islands and atolls	<ul style="list-style-type: none"> Steps taken to raise public awareness of the issues involved in legislation on decentralisation and local governance through a media campaign covering print, radio and television completed by June 2007. 	MoAD with support of sectoral agencies	0.40	Public announcements, media presentations
	<ul style="list-style-type: none"> Consultations on governance undertaken by end of June 2006 with all island communities, national government authorities, parliamentarians, political parties, national NGOs, international development agencies and other relevant organisations. 	MoAD with the support of sectoral agencies	0.80	Travel and related expenses
	<ul style="list-style-type: none"> Study tours for government staff, completed by end of 2006 to familiarise with governance and decentralisation reforms undertaken in the Philippines and the state of Kerala, India. 	MoAD and other government ministries	0.60	Travel, training and other costs
	<ul style="list-style-type: none"> Parliamentarians begin discussions and dialogue on local governance reforms and decentralisation by end of 2006. 			

Policies & Strategies	Performance Target or Indicator	Responsible agency	Cost (Rf million)	Cost Items
	<ul style="list-style-type: none"> A local governance act drafted and submitted to the Legislature by January 2007 for their consideration and approval. 	MoAD with AGO and sectoral agencies	0.3	Consultancy fees; travel costs
<p>Strategy 1.2: Transfer responsibilities and resources from central government to island and atoll councils</p>	<ul style="list-style-type: none"> Report completed by end of February 2007 outlining current functions and fiscal resources of all RDPMOs, atoll, and island administrations and assessing options for reassigning responsibilities and functions to appropriate institutions. 	MoAD, Sectoral Ministries, Regional Development Offices and Atoll and Island Offices.	-	
	<ul style="list-style-type: none"> Draft report completed by end of March 2007 with proposals for transfer of responsibilities and functions from the centre to local councils. Some of the local services identified for potential devolution include: <ul style="list-style-type: none"> Construction and maintenance of local roads Waste management Harbour maintenance Electrification, water, sewerage and local telephone networks Island health posts and health centres Primary health care and disease prevention Nursery and primary schools Community centres, parks, sports and recreational facilities Environmental management Land management Social protection service centres. 	MoAD with the support of sectoral agencies, atoll and island administrations	-	
	<ul style="list-style-type: none"> Draft report completed by end of April 2007 with proposals for financing local government including own-source revenue generation, revenue sharing and central government fiscal transfers. 	MoAD with sectoral agencies, atoll and island administrations	-	

Policies & Strategies	Performance Target or Indicator	Responsible agency	Cost (Rf million)	Cost Items
	<ul style="list-style-type: none"> A four-year national programme on decentralisation and local governance formulated by end of May 2007. 	MoAD with sectoral agencies, atoll and island administrations	1.3	Consultancy fees and travel costs
	<ul style="list-style-type: none"> A system for financing local government formulated by end of June 2007. Initial implementation started in 2008 with introduction of block grants for current and development expenditures for all island and atoll councils. Implementation expanded in 2009 with introduction of special purpose grants and block grants for development. 	MoAD with sectoral agencies	60.23	Consultancy fees; travel costs; block grants
	<ul style="list-style-type: none"> MoAD restructured by June 2007 to provide better support to elected councils, including simplified administrative procedures for service delivery. 	MoAD with sectoral agencies	-	
	<ul style="list-style-type: none"> Preparations completed by end of 2007 to transfer responsibility for selected municipal services to island, atoll and other local government bodies. In January 2008, local councils begin to assume responsibility for provision of selected services. 	MoAD with sectoral agencies	-	
Strategy 1.3: Establish local councils	<ul style="list-style-type: none"> Supplementary regulations, procedures and guidelines issued by end of June 2007 for the establishment and operation of island and atoll councils to replace island and atoll offices and Development Committees. 	MOAD with Attorney General's Office	-	
	<ul style="list-style-type: none"> Councils legally established in all inhabited islands by end of September 2007. Councils legally established in all atolls by end of October 2007 	MOAD with Attorney General's Office	0.2	Consultations and legal fees

Policies & Strategies	Performance Target or Indicator	Responsible agency	Cost (Rf million)	Cost Items
	<ul style="list-style-type: none"> Preparations completed for the election of Island Councils by end of June 2007. 	MOAD with Elections Commissioner	-	
	<ul style="list-style-type: none"> Elections held for local councils by end of September 2007 	All Island Offices and Atoll Offices with assistance from Elections Commissioner and MoAD	6.0	Elections
<p>Strategy 1.4: Enable councillors and administrative staff to undertake their responsibilities and functions</p>	<ul style="list-style-type: none"> Agreement reached by April 2007 on the principles and procedures for transferring staff from MoAD island and atoll offices to local councils. Plans prepared by July 2007 for the transfer of staff from island atoll offices to local councils. Transfer of staff completed by end of September 2007. 	MoAD, the Public Service Division and concerned sectoral agencies	-	
	<ul style="list-style-type: none"> Guidelines prepared by end of June 2007 for the structure and organisation of model island and atoll council administrations. A programme of training and capacity building designed by end of June 2007 to meet immediate needs at the atoll and island levels for improved governance and local government administration. Initial phase of programme completed by end of 2007, and subsequent phases completed by end of 2008. 	MoAD with the support of sectoral agencies	2.57	Consultancy fees; travel costs
	<ul style="list-style-type: none"> Initial orientation and training for council members and related staff to be completed within six months of local elections. 	MoAD	1.0	Training workshops and consultancy fees

Policies & Strategies	Performance Target or Indicator	Responsible agency	Cost (Rf million)	Cost Items
	<ul style="list-style-type: none"> Plans completed by August 2007 for the establishment of a local government institute to undertake research on local governance issues and to provide training and capacity building for local government councillors and staff. This institute to be initially established by June 2007 and to become fully operational by 2010. Locally managed training courses to be made available for staff based in island and atoll administrations by 2010. 	MoAD with the support of sectoral agencies	4.6	Consultancy and travel fees/costs; land for institute
Policy 2: Empower island communities to be self-reliant				
Strategy 2.1: Promote the adoption of good governance principles by local councils	<ul style="list-style-type: none"> Legislation enacted to allow people over the age of 18 to become eligible to vote prior to the holding of local council elections. A voter registration campaign completed prior to the holding of local council elections. 	MoAD, the Elections Commissioner and local councils	-	
	<ul style="list-style-type: none"> Procedures formulated and adopted by island and atoll councils by the end of 2008 that allow open access to information, transparency in the conduct of government affairs, and timely reporting of proposed and actual use of public funds. 	MoAD and local councils	-	
	<ul style="list-style-type: none"> Mechanisms in place by the end of 2008 that allow communities to monitor and assess the performance of elected councils. 	MoAD with sectoral agencies	0.1	Consultancy fees; travel costs
Strategy 2.2: Introduce a system and process for participatory development planning	<ul style="list-style-type: none"> Support provided for an updated system of national planning and budgeting introduced by the end of 2007 that takes into account the establishment of local councils and the need for close coordination with central government sectoral agencies. Guidelines and procedures designed by the end of 2007 that facilitate the active participation of communities and NGOs in preparing action plans and budgets for local development. 	MoAD with MoPND and other sectoral agencies	0.3	Consultancy and travel fees/costs

Policies & Strategies	Performance Target or Indicator	Responsible agency	Cost (Rf million)	Cost Items
	<ul style="list-style-type: none"> Pilot application of procedures for participatory development planning implemented in at least four atolls by end of 2008. These procedures implemented in formulating Island Development Plans in all atolls by end of 2010. 	MoAD with MoPND and other sectoral agencies	0.68	workshops
<p>Strategy 2.3: Enhance the provision of local public services to island communities</p>	<ul style="list-style-type: none"> Legislation and regulations introduced to facilitate the participation of the private sector, NGOs and CBOs in the delivery of public services. 	MoAD with AGO and sectoral agencies	-	
	<ul style="list-style-type: none"> A programme designed and in operation by Dec 2008 to promote awareness of opportunities for private sector participation in the delivery of public services. 	MoAD with sectoral agencies	0.16	