



17 APRIL 2024

ISSUE 28

## The President ratifies the Anti-Defection Act



President Dr Mohamed Muizzu has today ratified the Anti-Defection Act (Act No. 3/2024). The Bill was passed by the Parliament at the Twentieth sitting of its First Session of this year, on Monday, April 1, 2024.

The Anti-Defection Act addresses the issue of elected members of Parliament, City/Atoll/Island Councils, and Women's Development Committees (WDCs) under Decentralization Act, changing their political ideology during their tenure.

The Act deals with situations of defection where an elected member:

- Is administratively removed from their political party
- Decides to leave their elected party voluntarily and opts to join a different political party.
- Renounce their Independency and join a political party

In the event any of the above mentioned circumstances arise, an elected member of the Parliament is requisite to submit their resignation, as per the Act.

The Anti-Defection Act aims to hold elected officials of the Parliament, City/Atoll/Island Councils, and WDCs under the Decentralization Act accountable to their constituents, ensuring that they remain dedicated to the political ideology upon which they were elected.

Additionally, the Elections Commission is required to hold by-elections for vacancies created as a result of defections. The Act allows members who lose their seats due to defection to contest again in by-elections.

Upon ratification, the Act was published in the Government Gazette and would come into immediate effect.

SOURCE : President's Office



## Land reclamation of Gulhifalhu completed as pledged by President

Ministry of Construction and Infrastructure has announced the completion of land reclamation works at Gulhifalhu, Kaafu Atoll. The announcement was made by the ministry on a social media post, which revealed that the land levelling of the island has also been completed. It further disclosed that a total of 18 million cubic meters have been pumped to reclaim land for the island.

The project of dredging land for the first phase of Gulhifalhu was entrusted to Boskalis, a company registered in the Netherlands.

While the reclaiming of the second phase was also entrusted to the same company, the land reclamation process of the second phase of Gulhifalhu commenced on July 2, 2023. The project was entrusted with a financial allocation of USD 120 million.

Initially, decisions were made to dredge 150ha of land for Gulhifalhu. However, the decision was modified by President Dr. Mohamed Muizzu resulting in the reclamation of additional 85ha will be reclaimed. Moreover, regardless of the previous administration's decision of allocating 2,218 land plots in Gulhifalhu, the government has determined that 1,347 land plots situated in Giraavarufalhu will be transferred to Gulhifalhu as well.



SOURCE : PSM





# Economy thrives, projects speed ahead despite challenges

Before President Dr. Mohamed Muizzu assumed office, the economic condition of the Maldives was significantly deteriorating. Experts attribute the primary reason for the depreciation of the Maldivian currency to the excessive printing of money by the previous administration.

According to statistics from the Maldives Monetary Authority (MMA), more than USD 518.04 million was printed over the last three consecutive years, marking a historic high compared to USD 388.53 million printed over 40 years.

Additionally, upon assuming office, President Muizzu inherited a heavy debt burden. The total debt amounted to over USD 7.71 billion, with a significant portion owed to companies for upcoming parliamentary elections and previously initiated projects, totaling USD 584.88 million.

Despite these challenges, President Muizzu has been proactive in rejuvenating the Maldives' economic status. Within three months of his tenure, USD 35 million has been deposited into the sovereign development fund. The President estimates that more than USD 100 million will be deposited into the fund by the end of the year.

## Discontinuation of printing money has been regarded as a pivotal step towards economic progression for the Maldives

President Muizzu's commitment to revitalizing the Maldivian economy without resorting to the printing of money is indeed a significant pledge. By discontinuing the practice of printing money, the government aims to address economic challenges while ensuring fiscal responsibility and long-term sustainability.

The decision to immediately halt the printing of money upon assuming office underscores President Muizzu's determination to prioritize sound monetary policy. This move reflects an acknowledgment of the risks associated with excessive money printing, including inflation and currency devaluation, and signals a commitment to addressing these challenges through prudent financial management.

Furthermore, President Muizzu's plans to boost the country's prosperity and income by reducing reliance on loans and settling debts owed to both foreign and domestic entities demonstrate a holistic approach to economic revitalization.

## Attracting a vast pool of investors

The efforts of the present administration to attract a wide range of investors reflect a strategic approach to addressing the significant development needs of the Maldives. By engaging in investment forums both domestically and abroad, the government has been successful in showcasing the diverse investment opportunities available in the country.

The decision to host investment forums in countries like China and the UAE demonstrates a proactive approach to international investment promotion. These forums serve as platforms for highlighting the potential for investment in key sectors such as infrastructure, tourism, and hospitality. By creating awareness about these opportunities, the government aims to attract investors who are interested in contributing to the development of critical projects, including the establishment of bridges, domestic airports, and resorts.

## Over 500 projects underway

The continuation of 527 projects, including those that faced interruptions due to non-payment to companies during the government transition, underscores the commitment of President Muizzu's administration to ensure continuity and progress in ongoing initiatives. Despite the challenges encountered, efforts have been made to address issues such as delayed payments and optimize project expenses to keep important projects on track.

It's notable that the current year's budget, initially approved by the prior administration, may not have fully aligned with President Muizzu's priorities and rules for project implementation. This misalignment may have resulted in some projects not receiving adequate budget allocations or not being included in the budget at all. However, the administration has taken steps to optimize expenses and prioritize projects that align with President Muizzu's vision for development.

## Initiatives to enhance economic growth and foster sustainable growth

The International Monetary Fund (IMF) has recognized President Muizzu's initiatives as some of the strongest implementations seen among world leaders, emphasizing their potential for substantial progression. The IMF applauded the government's decision not to overdraw the government's account and expressed its readiness to provide any assistance needed. This endorsement from the IMF underscores the effectiveness of President Muizzu's economic policies and strategies.

Additionally, the Maldives National Chamber of Commerce and Industries has voiced support for the government's initiatives, recognizing them as favorable for the Maldivian future as a growing economy. Despite challenges such as a shortage of dollars for small businesses, the Chamber remains optimistic that the government's decisive actions will lead to economic growth and stability in the value of the dollar.

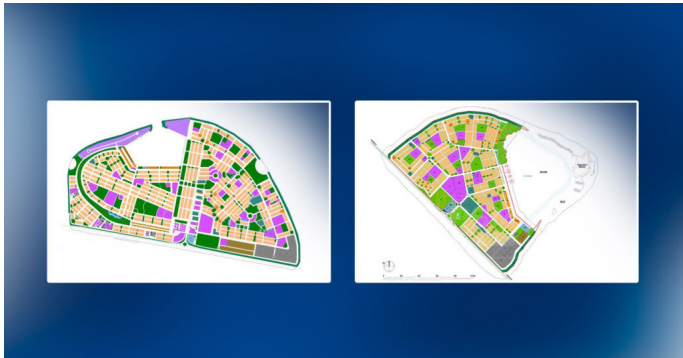
The government has projected a 5.5 percent economic growth rate for this year, indicating confidence in the trajectory of the economy under President Muizzu's leadership. Furthermore, President Muizzu revealed a significant reduction in the country's primary debt balance, from USD 103.61 billion last year to USD 8.68 billion in the current year. This reduction in debt, achieved within just four months, demonstrates the government's commitment to fiscal responsibility and its ability to effectively manage the country's finances.

Overall, these developments indicate that the government's economic rejuvenation efforts have been successful, earning the confidence of global financial institutions in the Maldives' future economic prospects.

SOURCE : PSM



## Effective land-plans formulated for Giraavarufalhu and Gulhifalhu

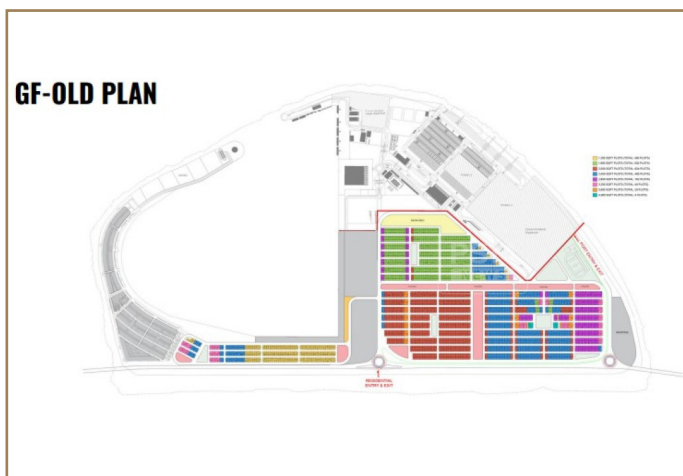


The previous administration introduced the Binveriyaa Scheme, in which over 9,000 individuals attained land plots. The land plots will be situated in Hulhumale' Pase II and Phase III, Gulhifalhu and Giraavarufalhu. While a total of 1,351 land plots were allocated from Hulhumale', 2,218 were entitled to ownership in Gulhifalhu and 5,432 land plots were given from Giraavarufalhu.

President Dr. Mohamed Muizzu revealed that the previous government issued land plots from Giraavarufalhu and Gulhifalhu without formulating a proper land-use plan. The government further observed that several land plots were allocated amidst streets or over utility networks. Hence, President Dr. Muizzu urged to resolve the issues before handing over the designated land to their relevant owners.

Providing an insight on the previously issued land-use plans, the Director of the Ministry of Housing, Land and Urban Development Fathimath Shaheen stated that the land-use plans drawn by the previous government were against the regulations of the ministry. The plans failed to fulfil the requirements, as they failed to incorporate the mandatory green space and the required distance between industrial sites.

**Differences between the initial land-use plan and the current plan of Gulhifalhu are as follows:**



Previous land-use plan of Gulhifalhu

The ministry observed that in the previous land-use plan adopted, there was not a distance of 100 feet between areas where individuals reside and industrial areas. Highlighting that only 8% contributed to the green space, the ministry noted the lack of sport fields and parks. Entities providing basic facilities and services were also far from the places in which people reside.

However, the current land-use plan incorporates 21% designated for parks and green spaces. Schools and mosques are also to be established close to areas of residency the plan further outlines the objective of developing 70,000 vehicle parking zone.

**Differences between the initial land-use plan and the current plan of Giraavarufalhu are as follows:**



**The previous land-use plan lacked adequate areas to provide basic facilities compared to the population. The ministry further highlighted the absence of sports fields and parks in the plan, which also allocated only 8% for green space. Additionally, the ministry revealed that the plan was not approved by relevant authorities and did not consider the opinions of stakeholders. Nevertheless, the new plan ensures that 18% of the land is specialised for green space while ensuring schools and mosques were close to areas of residency. It further included 31,359 parking plots.**

Initially, decisions were made to reclaim 160 hectares of land for Giraavarufalhu and 150ha from Gulhifalhu. However, President Dr. Muizzu modified the decision by affirming the land reclamation of additional 50ha for Giraavarufalhu and 85 more hectares from Gulhifalhu. Unveiling that Giraavarufalhu did not have the capacity to provide essential services, the ministry opened the opportunities to transfer 1,347 land plots to Gulhifalhu.

President Dr. Muizzu pledged to ensure that landowners receive their allocated land plots issued by the previous administration. Minister of Housing , Land and Urban Development Dr. Ali Haidar Ahmed further cautioned that the locations of land plots may alter due to the lack of formulating an effective land-use plan by the previous government

SOURCE : PSM



## Arrangements made such that Maafarufalhu is a part of Mahibadhoo



President Dr. Mohamed Muizzu has declared that Maafarufalhu, Alif Dhaalu Atoll is a part of the capital of the atoll, Mahibadhoo. The declaration was made in the presidential decree released.

Interconnecting the two islands officially and reclaiming land for residential, economic and commercial purposes and projects are commitments of President Dr. Muizzu outlined in the government's manifesto. The president made this commitment while addressing the residents of the island on September 4, 2023.

Mahibadhoo being an island with a one of the greatest populaces of the atoll, it is also one of the most remarkable islands of the atoll in terms of significant development. The island has a land area of 22.3ha, with over 2,000 individuals living on it.

Recently, President Dr. Muizzu has also decided such that Velidhuggaa, Alif Alif Atoll is a part of Bodufolhudhoo while issuing some islands from Noonu Atoll as a part of Maafaru as well.

SOURCE : PSM

## ECM begins distributing ballot papers, materials across atolls



Elections Commission of Maldives (ECM) has commenced the distribution of ballot papers and administrative equipment to polling stations across the atolls in preparation for the upcoming parliamentary election.

Member of ECM Hassan Zakariyya said that the process commenced on March 16, involving the transportation of materials to various atolls such as Alifu Alifu, Alifu Dhaalu, Vaavu, Meemu Faafu, and Dhaalu by sea. Concurrently, he said that air delivery to Thaa, Laamu, Gaafu Alifu, Gaafu Dhaalu Atolls, and Addu City has also commenced. He also said that ballot boxes are scheduled to be delivered to Haa Alifu, Haa Dhaalu, Shaviyani, Noonu, Raa, Baa, and Lhaviyani Atolls on April 17.

Additionally, Zakariyya mentioned that all polling equipment will reach individual islands by April 19, with shipments to resorts, industrial islands, and overseas destinations completed by April 20.

ECM ensures the secure delivery of ballot papers, boxes, and security containers to the islands, under the supervision of the Maldives Police Service (MPS). With 284,663 eligible voters, over 600 ballot boxes will be placed to accommodate the parliamentary election, which sees 368 candidates contesting for seats across 93 constituencies.

SOURCE : PSM

## MIRA records a 34% increase in state revenue in March



The Maldives Inland Revenue Authority (MIRA) has recorded a 34.4% increase in revenue in March this year compared to last year.

The latest statistics published a by MIRA show that a total of USD191 million in revenue, marking a substantial increase over the same period last year by 34.4% and surpassing the estimated amount for March by 26.0%.

MIRA attributes the increase in revenue to enhanced collections across diverse sectors. Notably, Goods and Services Tax (GST) contributed the most substantial share, amounting to USD99 million in March. Following closely behind was Income Tax, totaling USD38 million. Tourism Land Rent accounted for USD24 million, while Green Tax and Airport Development Fee stood at USD7.3 million and USD7 million, respectively. Other taxes and fees amounted to USD16 million.

The statistics also reveal that revenue received by MIRA in March last year included USD119.67 million. The increase in revenue for March primarily stems from increased earnings in Bank Income Tax, Tourism Goods and Services Tax (TGST), Tourism Land Rent, and Non-Resident Withholding Tax. Furthermore, revenue collection for March increased due to upcoming deadlines for bank income tax payments.

SOURCE : PSM