

# Customs Act

Unofficial Translation

In accordance with Article 92 of the Constitution, the “Maldives Customs Bill” passed in the 1<sup>st</sup> sitting of the 21st session of the People’ s Majlis held on Monday the 25<sup>th</sup> of April 2011, has become law and has been published in the Government Gazette upon its ratification by the President of the Republic on Wednesday the 11th of May 2011 (8 Jumad-al-Aakhira 1432).

# Chapter I

## Preliminary section

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|-------------------------------|---|-----|---|
| <b>Introduction and Title</b> | 1 | (a) | This Act sets out the principles and procedures by which “Maldives Customs Service” is established as a state institution and defines the objectives, powers, responsibilities, privileges of the Service.  |
|                               |   | (b) | This Act shall be sited as the “Maldives Customs Act”.  |
| <b>Objectives</b>             | 2 |     | The main objectives of this Act are as follows;   |
|                               |   | (a) | to ensure that Maldives Customs system operate on steady principles;  |
|                               |   | (b) | to establish a service by the name of “Maldives Customs Services” and define operational principles for that service;   |
|                               |   | (c) | to protect income of the State, social rights and to strengthen the system which operates and maintains activities of passengers, crafts, goods arriving and leaving to and from the Maldives .   |
|                               |   | (d) | to stop import and export of illegal items by checking suspected persons and cargos arriving and leaving the Maldives and specifically by checking crafts that arrive and depart from or to the Maldives and by strengthening custom’s control in official trade ports; |
|                               |   | (e) | to simplify, standardize and assist to enforce customs procedures in accordance with international conventions, established principles relating to customs;   |

## Chapter II

### Maldives Customs Service

- Establishment of Maldives Customs Service 3
- (a) This Act establishes “Maldives Customs Service” as an institution having officers in uniform to provide customs service in the Maldives and to manage related activities to that service in accordance with the regulations made pursuant to this Act.
  - (b) Maldives customs service is a civil service not included in the Civil Service of the Maldives.
  - (c) Maldives Customs Service shall be operated under the supervision of a minister designated by the President of the Republic.
  - (d) On the establishment of the Maldives Customs Services as per subsection (a), all employees, rights and obligations of the Maldives Customs Service in operation prior to enforcement of this Act shall be transferred to Maldives Customs Service established under this Act.
- Duties and responsibilities of Maldives Customs Service** 4
- The main responsibilities and duties of Maldives Customs Service are as follows;
- (a) to operate and manage activities of collecting import duties and export duties;
  - (b) to carry out all necessary activities pertaining to customs in relation to import and export of goods to and from the Maldives and to maintain all the concerned accounts;
  - (c) to operate and manage activities pertaining to goods loaded and unloaded from or to crafts arriving ports in the Maldives for the outward journey and persons embarking and disembarking from those crafts.
  - (d) to carry out necessary actions with regard to issuance of outward and inward clearance to international crafts arriving and leaving the Maldives and with regard to crafts requesting release from Customs

control.

- (e) to examine and search crafts, person, passenger luggage and goods arriving or departing to the Maldives.
- (f) to stop smuggling to and from the Maldives, to ensure no goods are imported or exported from or to the Maldives in contravention to statutes and regulations of Maldives, and to prevent, cease, confiscate such imports and exports if found, and to ensure import or export of goods that require special permission are not exported or imported otherwise.
- (g) to register bonded warehouses, customs warehouses, areas designated for holding import export goods and conduct necessary activities in relation to goods kept there under Customs control.
- (h) managing and operating Customs activities relating to duty free shops, free trade zones and Customs designated areas where goods are imported and exported to and from, and affairs of persons entering and leaving such places.
- (i) to search and check persons entering and leaving Customs controlled areas and areas designated for works in relation to import goods and export goods to and from the Maldives.
- (j) to carry out other activities stipulated in this Act and regulations made pursuant to this Act.

**Powers of the  
Minister**

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The powers and responsibilities of the Minister are as follows;

- (a) to declare Customs areas in official ports of the Maldives and designate places for providing customs services.
- (b) to lay down policies pertaining to Customs Service.
- (c) to make rules, procedures, arrangements necessary to develop and provide Customs service in a sustainable manner and making Customs a responsible institution and to issue necessary order and take necessary actions.

- (d) to be accountable to the President of the Republic in matters relating to the Maldives Customs Service.
- Commissioner General of Customs**      6
- (a) Commissioner General of Customs shall run and manage day to day activities of Customs and activities pertaining to Customs duties and responsibilities.
- (b) The Commissioner General of Customs shall be appointed and dismissed by the President of the Republic.
- (c) The Commissioner General of Customs shall be accountable to the Minister regarding the discharge of duties and responsibilities of the former.
- Commissioner General's responsibilities**      7
- The duties and responsibilities of the Commissioner General of Customs are as follows;
- (a) to ensure duties collectable by the Customs under the Law and any other tax collectable under any other law or regulation are fully collected accordingly.
- (b) to carry out the necessary activities required by Customs under International and Regional Convention and establish relations with international organizations.
- (c) to manage Customs activities in accordance to Government policies and to take necessary actions to ensure Customs activities are carried out in accordance with this Act.
- (d) to protect Customs rights by providing advice and consultations to concerned authorities on policy matter relating to Customs.
- (e) to make arrangements for providing services in Customs areas in official trade ports of the Maldives and in areas designated for the Customs service.
- (f) to carry out necessary actions to operate the Customs areas in official ports in the Maldives and in areas designated for the Customs service.
- (g) to take actions necessary to provide speedy and convenient Customs services in official ports of the Maldives and all other places of the Customs.

- (h) to take necessary steps for enforcing and implementing this Act.
- (i) To take all necessary actions under this Act to recover the prescribed income of the State..
- (j) To assist the Customs mediators by making and enforcing the necessary rules concerning to them.

**Deputy  
Commissioner of  
Customs**

- 8 (a) A Deputy Commissioner of Customs shall be appointed from among Customs employees in accordance with Customs Rules to assist the Commissioner General of Customs in operating and managing the day to day activities of Customs and activities pertaining to Customs duties and responsibilities.
- (b) The president of the Republic shall appoint and remove the Deputy Commissioner of Customs.
- (c) In case more than one Deputy Commissioner of Customs is appointed, one among them shall be designated to carry out duties and responsibilities of the Commissioner General of the Customs in situations specified in subsection (d).
- (d) The Deputy Commissioner of Customs shall have the duties and responsibilities of the Commissioner General of Customs in the following situations under this Act and regulations made pursuant to this Act.
- (1) for any reason, Commissioner General of Customs is absent; or
  - (2) Commissioner General is suspended; or
  - (3) the office of Commissioner General becomes vacant; or
  - (4) for any reason, Commissioner General of Customs refuses to per form his duties and responsibilities.

**Customs Officers 9**

- (a) The Minister shall create posts and ranks of the Customs Officers.
- (b) Customs Officers shall be appointed, removed, promoted by the Minister and in accordance with this Act and regulations made pursuant to this Act. The Minister shall do so with the consultation of the Board composed for the purpose in Customs in accordance with the regulations made pursuant to this Act.
- (c) Deciding the place of work of Customs Officers and shifting the same

and managing related actions thereof shall be carried out by the Commissioner General of Customs.

- (d) Employees other than Customs Officers shall be appointed by the Minister in accordance with subsection (b)

**Organizational chart** 10 The Minister shall formulate an organizational chart stating therein the ranks and responsibilities of the Customs Officers and that of other employees of the Customs. The said organizational chart must state the designations, qualifications and numbers of employees required.

**Salaries** 11 The salaries of Customs Officers, employees shall be decided by the President of the Republic in consultation with the Minister of Finance and Treasury.

**Oath of Customs officers** 12 (a) All Customs officers must take the oath set out in Schedule 1 of this Act, before a judge to discharge the duties of the job in a responsible manner.

- (b) It is the duty of all Customs officers to be faithful for the oath taken under this Act.

- (c) Persons employed as Customs Officers prior to this Act shall also take the oath as subscribed in this Act.

**Duties and responsibilities of Customs officers** 13 The main duties and responsibilities of Customs Officers are as follows;

- (a) safeguard the dignity, honor, value and respect of the Maldivian nation.

- (b) safeguard the rights of the society and the income of the state through Customs mandate.

- (c) discharge duties in accordance with the “Customs Code of Conduct” and “Code of Ethics”

- (d) check and monitor passengers, goods, items and crafts arriving to the Maldives.

- (e) check and monitor the outgoing passengers and crafts and goods exported from the Maldives.

- (f) take necessary measures to stop the import and export of goods in

contravention to laws and rules.

- (g) be vigorous against corrupt activities and not to commit an act of corruption.
- (h) be faithful and trustworthy in discharging the duties and responsibilities of the Customs.
- (i) be allegiance in discharging the Duties of Customs.
- (j) carry out the necessary actions to implement this Act and regulations made pursuant to this Act.
- (k) obey orders of superiors without violating Islamic tenets, the Constitution, Laws and regulations.
- (l) not to obey any unlawful order or direction given in violation of Customs duties and responsibilities.

**Legal protection  
of Customs and  
Customs officers**      14

- (a) The Customs shall not be responsible for damages caused to goods in Customs custody or control except for damages caused deliberately or damages caused due to lack of proper protection.
- (b) No Customs officer shall be subject to a lawsuit for the commission or omission of any act done in good faith in pursuant to his duties and responsibilities in accordance with this Act, or any regulation made pursuant to this Act

**Rights of the  
Customs  
Employees**      15

Every employee of the Customs has the following rights;

- (a) Compensations for damages caused to personal property and bodily injuries and harms caused while discharging Customs duties and responsibilities.
- (b) Medical care at the Customs cost for injuries, harms caused while discharging the Customs duties and responsibilities.
- (c) Administrative action not to be taken against employees prior to providing the opportunity to respond to a complaint against him..

- (d) The Complainant shall not be a part in the decision making process regarding the aforesaid compliant and shall not influence the decision in anyway.
- (e) Administrative actions against an employee are appealable in the Customs Integrity Commission or In a Court of Law.
- (f) An employee shall not be given a punishment unreasonably higher for the offence he committed.
- (g) No administrative or disciplinary action shall be taken against an employee for reporting the concerned authority an act of breach of the Customs employee's duty.
- (h) No administrative or disciplinary action shall be taken against an employee for refusing to follow an order or direction which is clearly in breach of the duties of the Customs Employees.
- (i) If a case filed against a Customs employee is not proved against him in a court of law, the Customs shall pay compensation as damages to the employee.

**Appointment, Promotion, and dismissal**      16

The Customs regulation shall state the procedures, under which the Customs employees are appointed, promoted, dismissed and retired.

**Unauthorized use of Customs uniforms and other belongings.**      17

Any person committing an act stated in subsection (a), (b), (c) and (d) shall be liable for punishment.

- (a) Unauthorized use of the Customs official uniform or materials associated to it or producing or selling or using the Customs identity card or participating in any of such activity;
- (b) Duplicating or using the official uniforms of the Customs officers or materials associated to it or the Customs identity card with intention to deceive a person;
- (c) Tendering official uniforms of the Customs officers or materials associated to it or the Customs identity card to unauthorized person;
- (d) Using official uniform of the Customs officers or materials associated to it or the Customs identity card or employment related equipments after leaving the Customs employment.

<b>Training</b>	18	Commissioner General of the Customs shall run and manage training for the Customs officer as provided in the regulation under this Act.
<b>Prohibited acts</b>	19	The Customs officers are prohibited from committing any act contrary to this Act and regulations made pursuant to this Act.
<b>Resignation</b>	20	<p>(a) The Customs employees except the Commissioner General of the Customs and Deputy Commissioner of the Customs may resign from office by writing addressed to the Commissioner General of Customs and specifying reasons for resignation.</p> <p>(b) The employee shall remain in service irrespective of the resignation statement sent to the Commissioner General of Customs, till he is notified of the acceptance of his resignation. A decision must be taken and the employee must be informed about the decision within 14 (fourteen) days of the receipt of such writing.</p> <p>(c) Commissioner General of the Customs and Deputy Commissioner of the Customs may resign from office by writing addressed to President of the Republic and specifying reason for resignation.</p> <p>(d) Though the resignation is submitted to the President of the Republic, the person shall remain discharging his duties until he is notified of the acceptance of his resignation.</p> <p style="padding-left: 40px;">A decision must be taken within 14 (fourteen) days of the receipt of such a writing.</p> <p>(e) The Minister may, in accordance with the Retirement Regulation made under this Act, declare every person resigning from the Customs employment as a person retired with honor except a persons dismissed from Customs.</p> <p>(f) Retirement methods of Customs employees must be stated in the Customs Retirement Regulations.</p> <p>(g) The maximum age limit for Customs employment is set to 65 (Sixty Five) years.</p>
<b>Dismissal</b>	21	Persons dismissed from employment for violating this Act or any Regulation made pursuant to this Act, shall not be entitled to any privilege or allowance under this Act.
<b>Welfare fund</b>	22	Commissioner General of the Customs, on his discretion, may

establish a fund for the welfare of the Customs employees and may under this Act and regulations made pursuant to this Act, authorize spending the fund for the welfare activities of the Customs employees.

- Confidentiality** 23
- (a) No employee of the Customs shall reveal any official document or a classified document, or confidential information, or information known to him by virtue of his office, to any person other than the person to whom such information was intended to.
  - (b) Without prejudice to subsection (a) information may be disclosed when required by law.

## **Chapter III**

### **Customs Integrity Commission**

- Customs Integrity Commission** 24
- The Customs Integrity Commission is an independent legal entity possessing power to sue and be sued and to take undertakings in its own capacity.
- Objects of the Commission** 25
- The objectives of the Customs Integrity Commission are as follows;
- (a) increase awareness among Customs employees to respect Law and Regulations.
  - (b) investigate unlawful activities of Customs employees independently and take actions according to the Law.
  - (c) provide legal protection to Customs employees in discharging their duties.
  - (d) increase trust and confidence of the general public about Customs services.
- Commission members** 26
- The commission shall consist of 5 members.
- Qualifications of members** 27
- The members of the Commission shall possess the following qualifications;

- (a) be a Muslim;
- (b) be a citizen of the Republic of Maldives;
- (c) be of sound mind;
- (d) has attained the age of 25 (twenty five) years;
- (e) be a person who has not been convicted of an offence for which a “hadd” is prescribed in Islam or of fraud, bribe in the past 5 (five) years.
- (f) be a person capable of undertaking the duties and responsibilities of the Commission.
- (g) be a person who does not carry out import export business and is not a board member of an entity carrying out such a business.
- (h) be a person who is not carrying out any elected post pursuant to the Constitution of the Republic of Maldives or any statute;
- (i) be a person who is not a mother, father, son, wife, or a husband of a Customs employee.

**Appointment of members**

- 28 (a) Members of the Commission shall be appointed by the President of the Republic following the advice of the People’s Majlis pursuant to subsection (b).
- (b) As per subsection (a), advice of the People’s Majlis shall be sought as follows;
- (1) The President of the Republic shall propose the matter to the People’s Majlis in writing, when a member needs to be appointed to the Commission.
  - (2) The proposal should include names of nominees not less than the required number of names for the Commission and their qualifications.
  - (3) The Speaker of the People’s Majlis shall inform the President of the Republic in writing the decision of the People’s Majlis.
- (c) The members to be appointed to the Commission shall be capable of undertaking the duties and responsibilities of the Commission, and shall fulfill the prerequisites stipulated in Section 27.

- (d) The candidates to be appointed as members of the Commission, proposed by the President for the opinion of the People’s Majlis, shall be among applicants from the general public. The president shall emphasize the candidates to be representative of diverse professions.
- (e) The proposal as per subsection (d) should contain names more than double the number required to the Commission. If the number of applicants is less than the required for the Commission than the names of all the applicant shall be sent to the People’s Majlis.

**Responsibilities of Commission**

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The responsibilities of the Commission are;

- (a) To investigate matters which arise out from Customs decisions and are referred to the Commission by the Minister
- (b) If anyone files a complaint against a Customs officer alleging infringement of Law and regulations or alleges of being negligent in performing his responsibilities, the Commission shall investigate the matter and send the report to the Minister.
- (c) Should the Commission decides to file criminal charges regarding a complaint which it investigated; the request shall be made to the Prosecutor General’s Office to initiate such a charge.
- (d) If the Commission finds it necessary to change a Customs practice or regulation in order to stop such an act being repeated, it may advice the Minister to do so

**President of the Commission**

30

- (a) The Commission shall appoint a president from amongst the members of the Commission.
- (b) The Commission shall appoint a president from amongst the members of the Commission. And the Commission shall inform the President of the Republic and the People’s Majlis within 48 (forty eight) hours of such an appointment.

**Responsibilities of the President of the Commission**

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The responsibilities of the President of the Commission are as follows:

- (a) operate and manage business of the Commission.
  - (b) assign members to investigate complaints filed at the Commission.
  - (c) preside the meeting of the Commission.
- Vice-President of the Commission** 32 (a) The Commission shall appoint a vice-president from amongst the members of the Commission.
- (b) The vice- President of the Commission shall be appointed from among the members of the Commission. And the Commission shall inform the President of the Republic and the People’s Majilis within 48 (forty eight) hours of such an appointment.
- Responsibilities of the Vice-President of the Commission** 33 The Vice-President shall discharge the duties and responsibilities of the President under the circumstances where the President is unable to carry out his responsibilities or refuses to do so or the office of the President become vacant. The Vice-President shall also assist the President of the Commission in managing the Commission.
- Responsibilities of the Members of the Commission** 34 (a) The responsibilities of the members of the Commission are as follows;
- 1 attend all meetings of the Commission except for a reasonable excuse.
  - 2 undertake all assigned responsibilities except for a reasonable excuse.
  - 3 conduct investigations of the Commission.
- (b) Every member of the Commission shall serve the Commission fairly and justly, impartially and faithfully without any influence and in accordance with the Laws of the Republic of Maldives.
- (c) A member shall not involve to any extent, in a matter concerning their self-interest, personal involvement, or any other personal gain, when such a matter is being investigated or the outcome of the matter is being decided by the Commission. Furthermore, although a member does not possess prior knowledge of such a self-interested, personal involvement, or any personal gain in relation to the matter being investigated by the Commission, when the member becomes aware of the said connections and when the President has been informed, the

member shall refrain from inquiring into the matter or in deciding its outcome.

- (d) Information received by the Members in their official capacity must be protected as secrets. Such information shall not be disclosed to any person not related to the business of the Commission except when lawfully required by investigating body or a court of law.
- Tenure** 35 (a) The tenure of the members appointed to the Commission shall be 5 (five) years from the date of appointment.
- (b) Members removed from the Commission pursuant to section 38 of this Act shall not be eligible to re-appoint to the Commission.
- Vacancy of Post** 36 The post of a member shall be vacant in any of the following situation;
- (a) resignation as stipulated in this Act.
  - (b) end of tenure.
  - (c) being removed pursuant to this Act.
  - (d) being elected to a political position under the Constitution or of any statute.
  - (e) failure to fulfill any prerequisites stipulated in this Act.
- Resignation** 37 (a) A member of the Commission may resign from office by writing addressed to the President of the Republic. The resignation shall be deemed final upon receipt of the letter by the President.
- (b) Resignation of the President or Vice-President from the post as per subsection (a) shall not be deemed as resignation from the membership of the Commission.
- Removal from Membership** 38 A member of this commission shall be removed from the office by the President, upon occurrence of any of the circumstances specified herein;
- 1 is declared a bankrupt by a judgment of the court;
  - 2 failure to fulfill any prerequisites stipulated in this Act;
  - 3 convicted indictment for a criminal offence;

<b>Technical advisors and Employees of the Commission</b>	39		The government shall provide the necessary equipments and required staffs to carry out the responsibilities of the Commission.
<b>Salaries of members.</b>	40	(a)	The members of the Commission shall be paid such salaries and allowances as determined by the Peoples’ Majlis in consultation with the Ministry of Finance and Treasury.
		(b)	The salary and allowances of the Commission members shall not be deducted during the tenure of their office unless stipulated in a law.
		(c)	The salary and allowances of the employees of the Commission shall be determined by the Commission in consultation with the Ministry of Finance and Treasury.
<b>Powers to investigate and responsibilities</b>	41	(a)	The Commission is empowered to do the following with regard to an investigation;
		1	Summon witness to the Commission and procure their statements.
		2	Summon persons related to an ongoing investigation of the Commission and procure their statements.
		3	Sending employees of the Commission to Government institutions and other places and search, examine, duplicate documents and materials it sees related to an ongoing investigation and if necessary, to take them into custody of the Commission.
		4	Should the Commission have reason to believe a party is capable of providing specific information regarding a specific subject, the Commission shall request specific information from such a party.
		5	Request a government authority to provide information or submit a report concerning an ongoing investigation within a given period of time.
		6	Assign a team comprising of 2 or more members to investigate a complaint.
		7	The Commission shall only conclude an investigation after hearing

			from the complained of and considering surrounding circumstances.
		(b)	The Commission shall only conclude an investigation after hearing from the complained of and considering the surrounding circumstances.
<b>Powers of the Commission</b>	42		The Commission possess the following powers in undertaking its responsibilities;
		(a)	Possess, use and take all means, machineries necessary to undertake its responsibilities.
		(b)	Formulate standards of investigation of complaints and procedure to discharge responsibilities of the Commission and implementing this Act.
		(c)	Relating to an investigation, if the Commission is of the opinion to file a criminal charge, request the Prosecutor General’s Office to file such a charge.
<b>Investigations by another body</b>	43		The Commission shall create a system to receive information about investigations carried out against Customs employees by other investigative authorities.
<b>Information received by other investigation authority</b>	44		The Commission may, on its own discretion, request to obtain and use any information acquired by any other investigation body.
<b>Not to investigate matters related to ongoing trial</b>	45	(a)	If the Commission receives a complaint about a Customs officer who is being tried in a court of law, investigation of the Commission of the complaint shall be confidential and must be carried out in such a manner that, it has no affect on the ongoing trial. The Commission shall not publish its finding regarding the complaint prior to the end of the trial.
		(b)	Matter of Customs officers who are being tried in a court of law shall not be investigated by the Commission.
<b>Actions to be taken upon closing an</b>	46		The following actions shall be taken upon conclusion of an investigation.

## **investigation**

- (a) If the matter investigated is an issue of violation of law or regulations by Customs officer or officers, the Commission shall present its opinion on the matter and recommend the Minister for an action.
- (b) If the matter investigated requires criminal prosecution, in the view of the Commission, the Commission may request Prosecutor General's Office to file a prosecution charge.
- (c) If the Commission finds it necessary to change a Customs practice or regulation in order to stop such an act from being repeated, it shall advise the Minister to do so.

**Immunity** 47 No law suit shall be filled against a member or an employee of the Commission for committing or omitting any act done in good faith while undertaking responsibilities of the Commission or exercising the powers of the Commission in accordance with Law.

**Formulating Regulations** 48 The Commission shall formulate regulations necessary to undertake its responsibilities and set out standards by which the Commission investigates the matters.

**Meetings** 49

- (a) Meetings of the Commission shall be held at least once in a month.
- (b) The President of the Commission shall preside over the meetings of the Commission
- (c) If the President of the Commission is unable to attend a meeting, the Vice-President of the Commission shall preside over the meetings.
- (d) The attendance of 3 (three) members shall be the quorum of the Commission.

**Decisions of the Commission** 50 Whilst making decisions in its own capacity, the decisions shall be based on the majority of the Commission where unanimity cannot be achieved.

**Annual Report** 51

- (a) The Commission shall prepare and submit its annual report before 10<sup>th</sup> February of every year to the President of Republic and the People's Majlis and the Minister.
- (b) The annual report stipulated in subsection (a) shall contain the followings;

- 1 Complaints filed at the Commission.
  - 2 Cases decided by the Commission and the decisions of the Commission.
  - 3 Cases of ongoing inquiries by the Commission.
  - 4 Recommendations made to Customs on areas identified during the report's time frame, which need to be improved.
  - 5 Recommendations adopted and abandoned by the Customs.
- (c) The Commission shall publish the annual report stipulated in subsection (a) within 45 (Forty five) days of submitting the report to the President and the Minister.
- (d) When a special circumstance arises and should the Commission deem relevant, the Commission may submit a special report to the President and the People's Majlis and the Minister accordingly.

**Jurisdiction of the Commission**

- 52 (a) The Commission may inquire into a matter concerning an event that takes place after the enactment of this Act except matters being inquired by a government body at the time of the enactment of this Act.
- (b) Unless expressed otherwise, the Commission shall only inquire into complaints that had occurred after the enactment of this Act, should the time period between the events complained of and filing of the complaint at the Commission have not exceeded a period of 2 (two) years as per the Gregorian calendar.

## CHAPTER IV

### CUSTOMES TERRITORY

**Customs Territory**

- 53 (a) The Minister may designate particular areas of a port used for import and export of goods in the Maldives as Customs territory.
- (b) Except in times of state of emergency, any craft arriving the Maldives shall dock at a port which has a Customs facility. And any craft departing the Maldives shall ship out from such a port.

- (c) Without prejudice to subsection (b), the Customs may, in such situations as it may determine, permit to dock crafts to ports other than Customs designated area. And this Act shall not bar the Customs to run its procedures in such a port. The Customs shall specify in the Customs regulation procedure to issue temporary permission for leaving, boarding of persons and loading and unloading of goods to or from such a craft and the fees chargeable for such purpose.
- (d) Customs is specifically assigned to do the following;
  - 1 for loading or unloading import or export goods to or from the Maldives and for use of the people who are involved in such activates.
  - 2 be used by passengers of crafts departing the Maldives and by others for disembarkation and embarkation and by people assisting them.
  - 3 issuing permits to disembark passengers and clearing, inspecting, searching and storing of goods.
  - 4 operation of Customs warehouses, bonded warehouses, duty free shops and free trade zones.
  - 5 For administrative works in respect of the above mentioned.
- (e) At the least the following facilities shall be available in Customs areas or in a temporary port facility;
  - 1 Restrict entry of unauthorized person to areas where goods are held and crafts travelling out of Maldives are docked.
  - 2 A system to control exit and entrance of people to or from places and areas designate to keep goods.
  - 3 A system for clearing, searching, inspecting of goods imported or exported to or from the Maldives and keeping those goods in reasonably secure condition.
  - 4 A system to search and check embarking and disembarking passengers and goods brought or taken by them via an international craft.

		5	Arranging safety and security means to guard the area such as cameras and other means.
<b>Customs Warehouse</b>	54	(a)	Customs is authorized to establish Customs Warehouses and store Customs controlled goods in such warehouses, and charge fees in respect of such goods. Such goods shall be kept in a reasonable condition. And fees and procedures to levy fees shall be specified in the Customs regulations.
		(b)	Keeping of goods under the Customs control in Customs warehouses, Customs areas, official ports shall only be kept for the purpose of searching and inspecting or disposing of, or to release for consumption in the Maldives or for export from the Maldives or for any other purpose of the Customs.  Customs regulations shall specify the procedures about keeping of goods in official ports, Customs warehouses, or in temporarily permitted places.
<b>Bonded Warehouse</b>	55	(a)	Customs is authorized to register bonded warehouse, determine goods to keep therein and determine procedure to charge fees from them.
		(b)	Keeping of goods under the Customs control in the Customs bonded warehouses shall be kept until the time the import duties chargeable are paid fully or searching goods is completed, or is completely disposed of, or is fully released for consumption in the Maldives, or exporting or importing them from or to the Maldives is completed.
		(c)	Procedures regarding registration of bonded warehouses shall be specified in the Customs regulations.
<b>Duty Free Shops and Free Trade Zones</b>	56		Applicable procedure regarding goods imported, or exported to or from designated Customs areas in free trade zones, duty free shops in the Maldives, shall be specified in Customs regulations.
<b>Customs area prior to this Act</b>	57	(a)	Free trade zone, bonded warehouse, Customs warehouses, areas designated as Customs area prior to enactment of this Act into law shall be regarded as Customs designated area under this Act.
		(b)	Should it require any additional procedure to operate such a place as stated in subsection (a), such procedures shall be completely formulated within 6 (six) months from the time of this Act entering

into force.

**Facilitating  
Customs**            58

Those who are managing a port which has a Customs area in it shall provide all necessary equipments, places, facilities to carry out Customs activities at that port, without any charge. Such facilities and equipments include the following;

- (a) acquire and maintain equipments and machineries required to search and check goods and articles.
- (b) acquire and maintain equipments and machineries required to search and check persons and luggage.
- (c) Places and mechanism required for Customs work.
- (d) Places stated in this section shall be built up to a standard acceptable by Customs and their entrance and exit points marked and guarded, facilities to monitor activities taking place therein shall be installed
- (e) keep providing Customs details of goods unloaded to such port.
- (f) provide the Customs information in accordance with the Customs regulation, about the persons who are issued identity cards or work permits, or entry and exit permits into the Customs area prescribed in this section.

**Acquiring  
equipments**            59

The Custom and the Customs officers are empowered to import and use equipments, machineries, means that are required to discharge the Customs duties and responsibilities in accordance with Laws and regulations. As such the Customs regulations shall specify the equipments, machineries, means to be used.

## **Chapter V**

### **Customs Procedures**

**Arrival of crafts**    60    (a)

It is prohibited for crafts arriving the Maldives from a place outside the Maldives to dock at any area other than the Customs permitted area.

- (b) The Master or an agent of a craft that is en route to the Maldives must furnish the Customs, in such a manner as provided in the Customs regulation, an inward manifest consisting of the true and complete information about impending arrival of the craft, its cargo, and its passengers.
  - (c) Unless expressed otherwise in the Customs regulation or in any other law, prior to Customs entry into a craft arriving the Maldives, no person shall unload or load any goods or leave or board the craft unless authorized to do so by the Customs.
  - (d) All crafts arriving from outside Maldives to a port in the Maldives must get inward clearance on the arrival.
- Submission of information on import goods**      61
- (a) Anyone importing goods to the Maldives must furnish in a prescribed declaration within a timeframe set out by the Customs, details of the goods, amount of goods, information regarding the price of the goods.
    - (b) Duties shall be paid to the goods imported and exported to and from the Maldives as per to the law.
    - (c) The following documents must be provided with the declaration as per subsection (a)
      - 1 commercial invoice;
      - 2 packing list;
      - 3 bill of landing or airway bill; and
      - 4 Any other document required as per the Customs regulation.
    - (d) Contents of the documents required as per subsection (c) must be specified in the Customs regulation.
    - (e) The Customs may, for specific circumstances, not require declaration as per subsection (a) for baggage belonging to crew and passengers of a craft which travels out of the Maldives.
- Classification of goods**      62
- After consulting the concerned authorities of the government, the Customs, in compliance to international treaties for which the Maldives is a party, shall codify commodities in accordance to the "Harmonized commodity description and coding system"

<b>Determination of price</b>	63		The Customs must specify the procedures for declaring price of goods in the Customs regulation. The procedure so specified must be in accordance with the “Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1993”
<b>Customs control</b>	64	(a)	Goods imported to the Maldives shall remain in the Customs control from the time of importation until the time the goods are released by the Customs or until all the Customs procedures are completed.
		(b)	Goods brought to a trade port or Customs-approved area for export from the Maldives shall remain under the Customs control from the time of bringing the goods until the time the carrier of such goods leaves Customs areas.
		(c)	Foreign registered crafts arriving the Maldives shall remain under the Customs control from the time of arrival until the time the Customs issue the permission as per to the law.
		(d)	Maldivian registered internationally sailing craft upon arriving the Maldives from a point outside the Maldives shall remain under control of the Customs until the time;  the Customs issue permission to depart the Maldives in accordance with this Act.  the Customs searches the craft once the goods brought by the craft in its last journey are unloaded and the Customs procedures are completed.  The concerned authorities of the government discontinue the craft’s international sailing.
		(e)	Any craft under Customs control shall remain so even after ceasing international sailing until Customs notifies the crafts release from the Customs control as per regulations of the Customs.
		(f)	Customs may permit on its own or on a request of the owner of the goods, relocation of goods from one place to another. Applicable procedure for issuing such a permit shall be specified in the Customs regulation.
<b>Crafts requiring permission</b>	65	(a)	No person except in state of emergency, shall load, unload, board or leave a craft arriving to a port in the Maldives including Maldivian

<b>while under control of Customs</b>		registered international crafts except those crafts arriving the Maldives with Maldivian diplomatic clearance, without permission from the Customs.
	(b)	Leaving or boarding a craft under Customs control or loading or unload goods into or from such a craft shall be done with Customs permission. Applicable procedure for boarding, leaving crafts and loading and unloading of goods into or from crafts shall be specified in the Customs regulation.
<b>Entry and exit of Customs controlled areas and places</b>	66	With permission from Customs, the operator of official ports, Customs areas and Customs places may permit entry and exit of person, vehicles to such places. Applicable procedures for issuing such permission shall be specified in the Customs regulations.
<b>Release of import goods</b>	67	Unless expressed otherwise in this Act, goods imported to the Maldives shall not be released from Customs control other than in the following manner;
	(a)	when the goods are in transshipment or in ship store until the time the craft carrying the goods departs.
	(b)	when goods brought for import to the Maldives, until the time all duties are paid fully or exempted from duty. This section shall not bar Customs from postponing payment of duty for certain good until a certain period of time in accordance with regulations under this Act.
	(c)	when the cargo imported is for a private purpose and is subject to duty exemption, until the time the Customs ascertains that.
<b>Submission of information on export goods</b>	68	(a) Before loading good into a craft for export or re-export from the Maldives the exporter shall provide true and complete details about quantities, F.O.B. price of the goods in a manner declared by the Customs.
	(b)	Export duty shall be paid as prescribed by the law for export goods. With the declaration as per subsection (a) any other documents required under the Customs regulation shall be furnished.
	(c)	The Customs may exempt declaration as per subsection (a) for baggage of crew and passengers of crafts departing from the Maldives.

<b>Release of export goods</b>	69	<p>Unless expressed otherwise in this Act, goods to be exported from the Maldives shall not be released from Customs control provided that;</p> <p>(a) export duties for the goods are fully paid or a payment due to any other authority is paid fully. This section shall not bar Customs from postponing export duty for certain goods until a certain period of time in accordance with regulations under this Act.</p> <p>(b) until Customs ascertain such goods are subject to duty exemption</p> <p>(c) until customs ascertain that the cargo destined to be exported is for private purpose and is subject to duty exemption</p>
<b>Departure of crafts</b>	70	<p>A craft at a port in the Maldives shall only begin its journey out of the Maldives after Customs issue outward clearance and the master of the craft provided true and complete outward manifest about passengers, cargo on board and any duty payable on goods on board is paid in full.</p>
<b>Loading and unloading of goods at unofficial ports</b>	71	<p>The Customs may levy a fee for loading and unloading of goods into and from a craft at places other than official trade ports.</p>
<b>Exceptions to Customs procedures</b>	72	<p>To comply with international law and treaties to which the Maldives is a party, the President of the Republic is empowered to exempt certain persons and crafts from Customs procedures.</p>
<b>Fees</b>	73	<p>The Customs may charge a fee for the services and equipments it provides. The procedures and amounts to charge fee for Customs services must be specified in the Customs regulation.</p>
<b>Collection and refund of money</b>	74	<p>(a) Money payable to Customs shall be paid in Maldivian Rufiyaa. Customs may accept cheques drawn from a Maldivian Rufiyaa account. Where facilities are available, payments may also be conceded electronically.</p> <p>(b) Money payable by Customs such as refundable duty shall be paid in Maldivian Rufiyaa or by a cheque drawn from a Maldivian Rufiya account.</p>

		(c)	Procedures to receive payments under subsection (a) and procedure to refund payments under subsection (b) shall be specified in Customs regulation.
<b>Registration of importer and exporters</b>	75		All those who import or export goods to or from the Maldives for a purpose other than private, shall be registered in the Customs.
<b>Documents of import export goods</b>	76	(a)	If the goods are insured, price of the goods for the purpose of assessing duty or finalizing documents, shall include cost of F.O.B, insurance and freight.  And if the goods are not insured, the price of the goods shall be that of F.O.B and freight. Price of goods destined for export shall be that of the F.O.B. price.
		(b)	As stipulated in subsection (a), for the purpose of paying duty or finalizing documents, conversion of foreign currency into Maldivian Rufiyaa shall be done in accordance with the rules made by Customs in consultation with the Ministry of Finance and Treasury and Maldives Monetary Authority.
<b>Duties on neglected goods</b>	77		If the goods exported or imported are lost or damaged prior to their release from the control of the Customs, and if the loss or damage be due to a negligence of person under whose custody the goods were, that person shall pay the Customs the duty due on the goods.

## **Chapter VI**

### **Power to Search**

<b>Searching goods and articles</b>	78	(a)	The Customs shall inspect and search goods imported and exported to and from the Maldives and goods under the control of the Customs. Customs shall also check for prohibited items among import and export goods and compare the goods for their corresponding declaration.
		(b)	With regard to subsection (a), the Customs is empowered to do the followings;  Unpacking, opening, counting, weighing, assessing, testing, or drawing samples or inspect by any other method.  mark goods, put seal, isolate goods, and keep them protected from

any other force.

Inspect and search the goods in a separate place should the need arises to do so.

- (c) Inspection and search of good as stipulated in subsection (a) and (b) shall be done in the presence of the owner of the goods or in presence of representative appointed by him.
- (d) The owner of goods or a representative of him must make himself available, should the Customs notify the search and the inspection of goods.

The Customs may search and inspect the goods in the absence of the owner if the owner refuses to be present, or should Customs believe an unlawful act was committed, or is being committed, or is to be committed in respect of the goods. However, the search and inspection of goods in the absence of the owner of the goods shall be carried out in the presence of the custodian authority of those goods.

**damages for loss**

79

- (a) Inspection and search of goods imported or exported to or from the Maldives by sea, or by land, or by air or goods under the control of the Customs or crafts, shall be carried out in a manner to minimize the harm for the goods and crafts. Thus, Customs shall give remedy for damages caused intentionally to a craft or goods by any officer of Customs.
- (b) Without prejudice to subsection (a), where a Customs officer has reasonable cause to suspect the presence of prohibited item in the cargo imported or in the craft, may use force and open goods by breaking or forcing himself into the craft which is otherwise not possible.
- (c) The Customs shall not be liable for damages caused while exercising the force under subsection (b) provided that the import or export prohibited item is found from such a cargo or craft.

**Searching crafts**

80

- (a) The Customs has the authority to ensure the crafts under the control of the Customs comply with this Act truly and if the Customs has reasonable grounds to believe that an unlawful act was committed, or is being committed or is to be committed, the Customs is empowered to stop, enter, search and inspect such a craft.

- (b) The master of a craft, which is subject to search and inspection as per subsection (a), shall render necessary cooperation as required under the Customs regulation. And should Customs officers require to stay inside the craft, the master of such a craft shall also render reasonable means to eat and sleep.
- (c) Any craft subject to search and inspection as stipulated in this section shall remain under the control of the Custom until the Customs notifies the release of the craft.
- (d) Customs is empowered to seize any craft under the control of the Customs if the Customs becomes aware of an unlawful act was committed or being committed or is to be committed in that craft until such a time the persons involved complete necessary procedures.

**Searching other places** 81

- (a) If any import prohibited item or import dutiable item, is taken out of the Customs control in contravention to this Act and regulation, the Customs is empowered to bring such item under its control.
- (b) If any export prohibited item or export dutiable item, is taken out of the Customs control in contravention to this Act and regulation, the Customs is empowered to bring such item under its control.
- (c) In taking actions under subsection (a) and (b) Customs may seek assistance of state security forces, when necessary. State security forces shall render assistance should Customs require such an assistance.

**inquiring and viewing documents** 82

- (a) The powers conferred to the Customs extend to questioning concerned persons or ordering to disclose concerned documents. Any person questioned by the Customs under such authority, must provide the Customs the required information. And such documents, places or persons, as the Customs require inspection, must be disclosed.
- (b) It is an offence to refuse an order of the Customs as per subsection (a) to disclose documents or person or places.
- (c) The Customs may seize any document it inspects under this Act. The Customs shall issue a copy of any such document to its owner should he request for a copy.

<b>Third part records</b>	83	(a)	The Customs may order a third party to furnish information, should it deem essential to prove a fact or a case which is being investigated by the Customs.
		(b)	Any person whom the Customs has requested, in writing to furnish information in stipulation to subsection (a), must provide such information.
		(c)	Refusal to provide information on orders under subsection (a) is an offence.
<b>Concerned authorities to assist Customs</b>	84	(a)	State authorities shall provide information to the Customs, should the Customs request so in identifying persons involved in activities contrary to this Act and regulation made pursuant to this Act.
		(b)	Should the Customs require information and cooperation with regard to an ongoing investigation, anyone so requested must comply with the request.
		(c)	Information received by the Customs in compliance to subsection (a) and (b) shall not be disclosed to anyone other than those who ought to know them.
<b>Exchange of information</b>	85		The Customs is empowered to exchange information with authorities in the Maldives and outside the Maldives for the purpose of discovering persons involved in activities in contravention to Law and regulations.
	86	(a)	The Customs may search and inspect a person embarking or disembarking the Maldives or, for any other reason is at a Customs controlled craft or Customs controlled area, and if the Customs has reasonable ground to believe that such person is in possession of goods or an item which is dutiable or import prohibited or export prohibited or such an item is in his body or is hidden in his belongings.
Search of crafts and personal		(b)	Searching of a person's body and cloths under subsection (a) shall be carried out in accordance with the ethical standards specified in the Customs regulations.
		(c)	Searching of a person's body and cloths shall be carried out by a person of the same sex. The Customs shall specify in the regulations the ethical standards to be followed in searching

women.

And children under 18 (eighteen) years shall be searched in the presence of a guardian or accompanying custodian. And in case of absence of a guardian or custodian, in presence of a technical person of a child protection authority of the state.

- (d) The regulations of the Customs shall provide procedures to be followed concerning searches under subsection (a), (b) and (c)
- (e) Where it requires to conduct internal examination of a person the examination shall be carried out by a registered medical practitioner who is capable of doing such an examination.
- (f) Should any person entering or leaving the Maldives refuse to carry out the Customs procedures, the Customs is authorized to use reasonable force to search such his body and luggage.
- (g) The Customs, in course of discharging duties and responsibilities under this Act, may without a warrant to arrest, detain any person, of whom the Customs has reasonable cause to believe that the person has committed, or is to commit, or is committing an act which is an offence under this Act.
- (h) Customs may search any vehicle which is in Customs areas, if the Customs has reasonable cause to suspect that has in it or has on it an item which is import prohibited, or export prohibited.
- (i) The Customs is empowered to do the following in carrying out searches under subsection (h);

Search all persons, goods, and areas and all parts of such a vehicle.

Search the suspected area or part.

**Handover of  
personals to  
police custody**

87

The Customs is authorized to hand over to the Maldives Police Services any person found doing any of the followings;

- (a) Concealing Importing or exporting goods to or from the Maldives .
- (b) Exporting export prohibited items or importing import prohibited items to or from the Maldives.
- (c) Obstructing any Customs officer on discharging his duties.

**Filing of complaints and investigation**

- 88 (a) The Customs is empowered to take actions in accordance with the law and regulations and to initiate investigations on its own. Customs is also empowered to request the Prosecutor General to initiate prosecution on cases it deems so required.
- (b) The Customs is authorized to investigate persons caught exporting or importing prohibited goods to or from the Maldives and refer such person to the Prosecutor General for prosecution.
- (c) The Customs is empowered to detain persons involved in an ongoing investigation of Customs till the end of such investigation. This power of the Customs extends to keep persons in custody, which has concealed within his body any unknown item, till the item is released from his body and the investigation is concluded.
- (d) The Customs is authorized to summon person or persons, or an owner or operator or manager of a craft, who are required by the Customs.

**Special operations**

- 89 (a) A Customs officer may knowingly permit the smuggling of good into the Maldives, the illegal import of goods, the import of items prohibited by Law, under the following situations;
- to find out the person for whose use such an item was imported.
- to find out persons collaborating in importing such an item to the Maldives.
- to find out persons to whose trade such an item was imported to the Maldives.
- to find out person involved in dealing with or using such an item.
- (b) In order to find out the persons who traffic unlawful goods, or import goods in contravention to law and regulations, or conceal imports, a Customs officer disguised as a customer may contact such a person and offer to sell or buy such an item.
- (c) Special operation specified in subsection (a) and (b) shall not be carried out without permission in writing from the Commissioner General of the Customs or a person designated by him.

- (d) Neither the action of a Customs officer nor the person, who acts on instruction of other Customs officer, under subsection (a) commits an offence under this Act.
- (e) No Customs officer can be prosecuted with respect to acts committed as specified in subsection (b) provided that the operation took place with the consent and knowledge of the concerned authorities of the Customs and that the act was done in a particular operation.

**Seizure of goods and crafts**

90

Customs has jurisdiction to seize the following;

- (a) export prohibited or import prohibited goods.
- (b) goods smuggled into or from the Maldives, or goods being imported or exported to or from the Maldives in contravene to the laws and regulation.
- (c) goods concealed to evade duties.
- (d) goods for which the necessary information with respect to their import or export has not been provided in the given period of time.
- (e) goods that are, in contravention to laws and regulations, altered while in control of the Customs, or that are moved from their original place to another place.
- (f) goods that have been stolen or are contrary to International Law or a treaty.
- (g) dutiable goods that are found in possession of a person who declined to disclose possession of such goods on inquiry.
- (h) goods that are not in compliance with the required procedure.
- (i) goods that are not stated in the inward manifest, neither that is stated as luggage of crew or passenger nor is the owner identifiable.
- (j) goods that are not stated in the outward manifest of a craft prepared to begin journey out of the Maldives, neither that is stated as luggage of crew or passenger nor is the owner identifiable.
- (k) goods about which untrue document, or statement, or manifest, or

declaration has been presented.

- (l) left out goods or goods that have no owner in charge.
- (m) materials used for packing goods seized under this Section.
- (n) any craft that has been, with the knowledge of its owner or the Master, used to export or import goods to or from the Maldives, in concealment, or contrary to the law and regulations
- (o) any craft that has refused entry into it on request issued under this Act.
- (p) any craft that has refused to comply with an order issued under this Act to stop, or dock.
- (q) any craft that has its cargo dumped, or destroyed, or damaged to evade searches and inspection by Customs.
- (r) any craft that has not completed the necessary procedures required by Customs after knowing that an act in contravention to law and regulation was committed in that craft while in control of the Customs.
- (s) goods that are not collected on due time.
- (t) materials that have been used to pack or store illegal contents or that are suspected to contain illegal contents.

**Detaining  
persons**

91

Customs may detain the following persons in the following situations;

- (a) If a Customs Officer has reasonable grounds to believe that a person entering or leaving Maldives or for any other reason while being in customs controlled area, posses dutiable good or prohibited import good or prohibited export good or document or any document relating to any such good or has hidden such document within him/herself, shall detain or interrogate or search any such person.
- (b) A person detained under subsection (a) of this clause shall not be kept in custody for more than a period of 24 hours, unless expressed otherwise in this Act
- (c) The Customs has the authority to present a person who, has been

detained on suspicion of concealing inside his body an illegal act to import or export such a thing to or from the Maldives,

before a Judge seeking extension of his detention should the Customs require to detain such a person for more than 24 (twenty four) for internal examination of body , x-raying or any other purpose of the Customs.

(d) Customs Officer has the authority to detain any person, not for more than 24 hours, who obstructs any such officer from executing his/her duty or any person who attempts any such act ,

**Prosecutions  
and issuing  
notices**

92 (a) The Customs shall notify in writing within 24 hours to the owner or master or any other responsible person if any asset or vessel or any other article has being seized under this act. The details of the seized asset, reasons for seizer, actions to be taken regarding the seizer shall be specified in the notification. If the seized asset ownership consists of more than one person, issuing notice to one person shall be deemed as notice to all the others.

(b) Goods or articles ceased by the Customs under this Act, if such goods or articles were ceased for being imported or exported to or from the Maldives contrary to law and regulation, in disposing of such goods or articles, Customs may forfeit such goods or article or, keep such goods or articles in Customs custody until such a time the importer departs the Maldives or, carry any other act permitted by the law.

(c) If the owner of the seized goods or article is dissatisfied with the seizer by the customs he may initiate litigation in a court of law as of right.

(d) If the seized goods is of a perishable nature or devaluation with time the Customs may sell such goods as per to the regulations of the Customs. If the good is of a dangerous nature to the public, any such good may be disposed of at the expense of the owner. Customs shall layout the policy to dispose off such goods.

(e) The revenue collected from selling of goods under subsection (d) may be kept under the custody of the Customs till the end of the case.

**State**

93 (a) Unless expressed otherwise in this Act or any other Act, any good

**acquisition of  
seized property**

or article or vessel seized under this Act is subject to acquisition by the State on order of a court.

- (b) No court order is required if the total value of the good or article or vessel seized under subsection (a), is less than 100,000/-(one lack) Rufiyaa.
- (c) Any asset acquired to State under this Section shall be deemed state assets. And the government may disperse such assets accordingly.

**Seeking  
assistance from  
Police and  
defense force**

94

Customs may seek the assistance of the Police and Armed forces if required in discharging its duties and responsibilities. Such assistance shall be rendered on the request of Customs.

## **Chapter VII**

### **Administrative Actions**

**Power to take  
administrative  
actions**

95

Customs is empowered to take the following actions in the given situations;

- (a) It is an offence to deceive the Customs by submitting a lower price in the import or export of goods to or from the Maldives. Any person committing such an act will be fined 15% (fifteens per cent) of the F.O.B. price of the goods.

If such an act is repeated for a second time, a fine equal to 25% (twenty five per cent) of the F.O.B. price of the concerned goods shall be imposed.

If such an act is repeated more than twice a fine 50% (fifty per cent) of the F.O.B. price of the concerned goods shall be imposed and the Customs may seize the import license of the person.

For the purpose of this section repetition of the offence shall be deemed to have taken place if the same person repeats the same offence with a timeframe of two years as per the Gregorian calendar

beginning from the time the first offence was committed.

- (b) If goods imported or exported to or from the Maldives exceeds the goods declared as per regulations, the person doing such an act shall be liable to a fine not exceeding 50% F.O.B price of the goods found exceeding the declared goods.
- (c) Any importer or exporter who is dissatisfied about any fine imposed under this section, may initiate, after paying such a fine, a litigation as of right within a period of 6 (six) months from the date of such a fine.

**Administrative penalties** 96

- (a) Should any Customs officer violates this Act or applicable provision of a regulation under this Act, shall be liable for the appropriate punishment as per regulations.
- (b) Following actions shall be stated in the regulations specified in subsection (a);  
  
counseling;  
  
warning;  
  
fining;  
  
suspension from job for a particular period of time;  
  
demotion;  
  
removal from job;
- (c) Without prejudice to subsection (b), no restriction shall lie to prosecute officers and employees of Customs who violate the laws and regulations;

## **Chapter VIII**

### **Offences and Punishments**

**Offence of smuggling** 97

- (a) It is an offence under this Act to import and export unlicensed items to or from the Maldives in concealment or to import or export any dutiable item to or from the Maldives in concealment to evade duty payable or to attempt to do such an act.
- (b) Concealed import shall take place where imported goods are unloaded to a place other than a Customs designated place, or goods

are removed out of a Customs designated place without permission or knowledge of Customs, or goods are imported to the Maldives without paying payable duties.

- (c) Concealed export shall take place where goods are exported from the Maldives without permission or knowledge of Customs, or goods are removed or sent out of a place designated by Customs for export goods without permission or knowledge of Customs, or goods are taken or sent out of the Maldives without paying payable duties
- (d) Any person who has committed or is trying to commit or participated to commit an act specified in subsection (a) shall be punished as prescribed in this Act and goods subject to such an offence shall be confiscated by Customs without compensation. And if any money is gained from smuggling goods in or out, such money and goods shall also be confiscated by Customs and along with that, the person shall be liable to the prescribed punishment in this Act.
- (e) Every person who smuggles goods to or from the Maldives shall commit an offence, punishable on conviction by a fine not less than 10,000 (ten thousand) rufiyaa and not exceeding 240,000 (two hundred forty thousand) rufiyaa or imprisonment for a term not less than 6 (six) month and not longer than 2 (two) years.
- (f) Where offence stated in subsection (a) is repeated, in addition to any other penalty under this Act, a fine not exceeding Rufiyaa 50,000 (fifty thousand) or imprisonment for a term not longer than 1 (one) year shall be awarded for each time the offence was repeated.

**Offence of bribery**

- 98 (a) Any Customs office or employee who takes or demands, or accepts to take bribe shall be guilty of an offence. Any person committing such an offence shall be punished according to the law.
- (b) For the purpose of this Section the word “bribe” shall have the meaning assigned to it in the Law No. 2/2000.

**Obstructing the Duties of a Customs Officer**

- 99 (a) It shall be an offence to obstruct or try to obstruct the duty of a customs officer

(b) The following acts shall be considered acts of obstruction on the Customs officer duty;

To attempt or plan, or abet, or call to, or encourage, or participate to obstruct by any means any Customs officer acting in the execution of his duties and powers.

To disobey an order issued by a Customs officer under this Act or to call, or abet, or encourage the concerned to disobey such an order or plan such an act.

(c) To assault or attempt, or warn, or encourage, or abet to assault on a Customs officer who is performing his duties and responsibilities under this Act is an offence.

(d) Customs is empowered to arrest any person who prevents or obstructs to perform duties and responsibilities of any Customs officer.

**Other penalties**

100

(a) Any person who commits an offence for which no punishment is prescribed in this Act shall be liable on conviction for a fine that is 15% (fifteen per cent) of the price of F.O.B.

If the same offence is repeated, on conviction the person shall be fined with 25% (twenty five per cent) of the price of the F.O.B.

If such an act is repeated more than twice a fine of 50% (fifty per cent) of the F.O.B. price of the concerned goods shall be imposed and the Customs may seize the import license of the person for a period of 1 (one) year.

For the purpose of this section repetition of the offence shall be deemed to have taken place if the same offence is committed again with a timeframe of two years as per the Gregorian calendar beginning from the time the first offence.

(b) Any person who violates this Act and regulations made pursuant to

this Act and commits any offence not prescribed in subsection (a) and for which no punishment is prescribed in this Act shall be liable on conviction for a fine not less than 10,000 (ten thousand) and not exceeding 200,000 (two hundred thousand) rufiyaa or imprisonment for a term not exceeding 12(twelve) months.

- (c) For the purpose of fine under this Section, where the actual price of goods is unknown, the price of such goods shall be determined as per to the import price of its type.

## Chapter

### miscellaneous

<b>Personal responsibility</b>	101	To declare and pay the duty chargeable and other payments and provide true information about goods is a responsibility of those who export or import good to or from the Maldives and of those who arrive or leave the Maldives. This responsibility shall be collective should the import or export is carried by more than one person.
<b>Prohibited goods</b>	102	Goods found in a craft under control of the Customs except to narcotics and articles internationally prohibited to be used in crafts, shall not be deemed goods exported or imported to or from the Maldives contrary to the law and regulations in the following situations;  (a) The Customs has been informed about the presence of such goods.  (b) Goods destined to another country or goods to be used in the craft in accordance to the law and regulations.
<b>Audit</b>	103	(a) The Customs may carry out an audit of documents about goods exported or imported to or from the Maldives at a time when Customs procedures are being processed or even after the completion of the same. Exporter or importers of such goods shall provide Customs any document prescribed in Article 61 and 68 as Customs may require.  (b) A decision to carry out an audit as per subsection (a) shall be taken by persons designated for the purpose.  (c) The Customs shall inform the exporter or importer of such goods about its decision to carry out such an audit as per subsection (a) in

writing, within a period of 1 (one) year.

- (d) If the Customs discover, in an audit, that the payment made to Customs by an importer or exporter is less or more, Customs should notify the matter to the owner of such goods with 60 (sixty) days from the date of such discovery.
- (e) In an audit or for any other reason, if the Customs notify the owner of goods of any refund payable to him, he should apply for the refund within 30 (thirty) days from the date of such notification. And the Customs shall refund the money to the owner of goods within 30 (thirty) days from the date of application for refund.
- (f) The owner of goods shall pay the Custom within 30 (thirty) days of such a notification should Customs discover the owner of goods ought to pay the Customs as stipulated in subsection (d) and notifies him to pay accordingly.
- (g) The Customs shall specify in the regulations procedures under which money due to owner of goods shall be paid, and money due to the Customs from owner of goods be paid and procedure under which changes in duties be made after an audit.

**Safe keeping of documents** 104

For the purpose of Section 61 and 68, every person importing or exporting goods to or from the Maldives shall keep documents concerning import or export goods for a period of 1 (one) year starting from the time of import or export as the case may be. In case of a complaint, or ongoing investigation, such documents shall be kept even after the expiry of 1 (one) year until the matter is resolved completely.

**Discontinuing service** 105

In cases of unpaid dues, the Customs is empowered to temporarily halt the services for the defaulters, in such a manner decided by the Customs until the time, all the money due, is paid to the Customs.

**Discovery of arms or narcotics** 106

During search and inspection, should the Customs recover narcotics, or arms in a craft coming to the Maldives from abroad, the craft shall not be allowed to dock at any port in the Maldives other than the port it docked first in that particular journey.

**Agents** 107

- (a) Unless expressed otherwise in this Act and regulations made pursuant to this Act, any one may appoint agents to represent himself in dealing with Customs.

- (b) As per subsection (a), procedures under which methods to appoint and remove agents, their responsibilities and matters related to that shall be specified.
- Complaints** 108 (a) Any person who is dissatisfied about any act committed or omitted by Customs in a dealing with him, may appeal the Minister within 30 (thirty) days to reconsider the matter.
- (b) Matters that are appealed to the Minister as per subsection (a) shall be determined by the Minister or a person appointed by the Minister. The appellant may appear and speak before the proceedings on his defense.
- (c) After conclusion of proceeding in accordance to subsection (b), the Minister or his appointee shall give the decision to the appellant in writing. Such appeals, if submitted to the Minister, shall be decided within a maximum of 60 (sixty) days.
- (d) Any appellant may as of right, initiate a legal proceeding if he is dissatisfied about the decision of the Minister or that of his appointee, within a time period of 6 (six) months starting from the date of the decision.
- Acts repealed and amended** 109 (a) At such time as this Act enters into effect the following Acts shall be repealed;
1. The Law No. 61/78 (The law regarding issuance of clearance for crafts departing from the Maldives)
  2. The Law No. 62/78 (The law relating to taking crafts arriving the Maldives under control of the Customs)
  3. The Law No.63/78 (The law relating to boarding, leaving, and loading, unloading of crafts arriving the Maldives except crafts with diplomatic clearance)
- (b) Section 11, 12, 13, 14 of the Law No. 31/79 (Import Export Act of the Maldives) shall be repealed. And section 15 of the same Act shall be amended as section 11 of the same Act;
11. (a) Goods, the price of which is unavailable, or is less than the price of those generally imported, the Government of the Maldives shall determine a price for them in consideration to the prices of

the goods imported to the Maldives in that time period.

(b) Export goods, the price of which is generally unavailable, or is less than the price of those generally exported, the Government of the Maldives shall determine the duty chargeable from them in consideration to the prices of the goods exported from the Maldives in that time period.

(c) Any person, who is not satisfied with the price determined by the Government of the Maldives as per subsection (a) and (b), may initiate litigation regarding the matter after the duties are paid in accordance with the determined price. Should the price suggested by him be proved true in a court of law, the Government of Maldives shall refund the owner of goods the money exceeding that price.

12. No breach of this Act takes place in cases where duty chargeable is determined as per section 11, unless an intentional attempt to defraud is proved in a court of law.

13. (a) It is an offence under this Act to import and export restricted items to or from the Maldives in concealment or to import or export any dutiable item to or from the Maldives in concealment to evade duty payable or to attempt to do such an act.

(b) Concealed import shall take place where imported goods are unloaded to a place other than a Customs designated place, or goods are removed out of a Customs designated place without permission or knowledge of Customs, or goods are imported to the Maldives without paying payable duties.

(c) Concealed export shall take place where goods are exported from the Maldives without permission or knowledge of Customs, or goods are removed or sent out of a place designated by Customs for export goods without permission or knowledge of Customs, or goods are taken or sent out of the Maldives without paying payable duties.

14. (a) Where any person is convicted of an offence against subsection (a) of section 13, in addition to any other penalty under this Act, goods subject to that particular offence shall be forfeited without compensation. Any money or property gained by concealed

imports or exports to or from the Maldives shall be forfeited.

- (b) Every person who smuggles goods to or from the Maldives shall be liable on conviction to imprisonment or banishment or house-arrest for a term not less than 6 months and not longer than 2 years.
- (c) Every person who attempts to smuggle goods to or from the Maldives shall be liable on conviction to imprisonment or banishment or house-arrest for a term not less than 6 months and not longer than 2 years or to a fine not less than 10,000/- and not exceeding 100,000/-
- (d) Any person who repeats the offence under subsection (a) of section 13 shall be liable on conviction, in addition to any other penalty under this Act, an imprisonment or banishment or house-arrest to a term of 1 year for each time the offence was repeated.
- (e) Any person who is guilty of deceiving by submitting lower price in importing goods, shall be liable to a fine not exceeding two times the value of such goods, if the same offence is repeated more than once, to a fine not exceeding two times the value of such goods, in addition Customs may also ban such a person from importing goods for a term not exceeding 2 years.
- (f) Any person who is guilty of deceiving by submitting lower price in exporting goods, shall be liable to a fine not exceeding two times the value of such goods, if the same offence is repeated more than once, to a fine not exceeding two times the value of such goods, in addition Customs may ban such a person from exporting goods for a term not exceeding 2 years.
- (g) Any person who commits an offence other than an offence for which a punishment has been subscribed in this Act, shall be liable to a fine not exceeding two times the value of the goods subject to the particular offence. And a person attempting to commit such an offence shall be liable on conviction to a fine not exceeding the value of such goods
- (h) Person fined as per subsection (b), (f), and (g), shall pay the fine

and may initiate a legal case as of right. If the court found his act did not contrive the law, the Government shall refunded should refund fine collected from him.

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| <b>Regulations under this Act</b> | 110 | (a) | Unless expressed otherwise in this Act, all the regulations under this Act shall be made by Maldives Customs Service as per the advice of the Minister.  |
|                                   |     | (b) | Regulations made pursuant to this Act shall be made and published in the Government Gazette within 3 (three) months from the date this Act enters into effect.   |
| <b>Schedule</b>                   | 111 | (a) | Schedule 1 in this Act is a part of the Act.   |
| <b>Entry into force</b>           | 112 |     | This Act shall enter into force after its passage and from the date of its ratification and publication in the Government Gazette.   |
| <b>Definitions</b>                | 113 |     | Unless expressed otherwise in this Act, the following words and phrases shall have the following meaning;  |
|                                   |     | (a) | “Import goods to Maldives” means bringing goods to Maldives from a place outside Maldives.   |
|                                   |     | (b) | “Export goods from Maldives” means, taking or sending goods out of Maldives to a place outside Maldives.   |
|                                   |     | (c) | “Importer of Goods to Maldives” means, any owner or any person holding himself to be the importer to any good at any time between their importation and the time when they are cleared for home consumption. |
|                                   |     | (d) | “Exporter of Goods to Maldives” means, any owner or any person holding himself to be the exporter to any good at any time between their entry for export and the time when they are exported to Maldives.    |
|                                   |     | (e) | “Re-export” means, to send the imported goods out of Maldives without alteration to its original form.   |
|                                   |     | (f) | “Official Port” includes sea port and airport  |
|                                   |     | (g) | “Sea Port” means, places where ships can dock load and unload goods.   |
|                                   |     | (h) | “Customs Territory“ refers to the limits of the customs stations   |

specified under Section 53 of this Act

- (i) “Customs Control” means situations where goods and crafts are brought under the control of Customs as per section 64;
- (j) “Customs” means the “Maldives Customs Service” as specified in Article 3 of this Act and any state institution assigned to carry out responsibilities of the Customs by the Customs.
- (k) “Customs office” means employees of Customs who has taken oath of Customs offices.
- (l) “Customs Regulation” means , customs rules made under this Act
- (m) “F.O.B.” means aggregate of the price of the goods and costs incurred up to the loading of goods into a craft while in dock excluding the cost insurance and fright.
- (n) “C.I.F” means aggregate of all the cost of the goods, the fright, transport costs and the cost of insurance. It includes all costs incurred to bring the good to a port of Customs and import costs.
- (o) “C.and.F” means aggregate of all costs of the goods, the fright, transport costs. It includes all costs incurred to bring the good to a port of Customs and import costs.
- (p) “craft” means any aircraft, ship, boat, or other machine or vessel, used or capable of being used for the carriage or transportation of person or goods, or both, by air or water or over.
- (q) “airport” means aerodrome designated to land, stop of airplane for the purpose of unloading or loading of goods, persons.
- (r) “warehouses” means places prepared for safe keeping of goods such as buildings, containers, tanks and other places used to store goods.
- (s) “master of craft” means any person having command or charge of a vessel except persons assigned only to drive a vessel in or out of harbor.
- (t) “owner of goods” person stated as owner of goods at the time of import or export to or from the Maldives and their agents.
- (u) “ship stores” means water, oil, ropes, boat equipments and foods and drinks for the crew.

- (v) “bonded warehouse” means places permitted to keep import export goods until they are cleared the control of Customs.
- (w) “declaration” means applicable procedures of Customs regarding to goods exported or imported to or from the Maldives and submitting of the required information under those procedure in a prescribed form. The forms prescribed to collect such information shall be called “goods declaration”. For the purpose of this section, the word “declaration” includes electronic medias and such other means introduced by Customs.
- (x) “Transshipment” means goods which are destined to another country and kept under control of Customs while on passage.
  - (a) “keep under reasonable condition” means to maintain the goods in a manner required for the safe keeping.
  - (b) “Minister” means a Minister who is designated by the President of the Republic to manage and supervise Customs affaire in under subsection (c) of section 3 of this Act.
  - (c) “vehicle” or “a vehicle or such a craft” means any means used for carriage or transportation of goods, person, things from one place to another, by land.
  - (d) “inward clearance” means permission issued to a craft by Customs on its arrival to the Maldives.
  - (e) “outward clearance” means permission of Customs to a craft to depart the Maldives.
  - (f) “duty free shop” means shops that sell good which are exempted from import duty to person departing the Maldives.

## **Schedule 1**

### **Oath of Customs offices**

I, ... (name of person) ... , do swear in the name of Almighty Allah that I will respect the religion of Islam, that I will bear true faith and allegiance to the Republic of Maldives, that I will protect honor, dignity and reputation of the Maldives, and will discharge my duties and responsibilities as a Customs officer honestly and faithfully in accordance with the Constitution and the laws of the republic of Maldives.