



Regulation for Reporting Cash Imported into and Exported from Maldives

1. Introduction

- a) This Regulation is issued pursuant to Section 24(f) and paragraph (2) of Section 75(a) of Law No. 10/2014 (Prevention of Money Laundering and Financing of Terrorism Act) to prescribe the procedure for the declaration of cash or bearer negotiable instruments, imported into and exported out of Maldives, to the Maldives Customs Service, the enforcement of administration of penalties by the Maldives Customs Service for violation of the declaration responsibilities, and the handling of seized cash and bearer negotiable instruments by the Maldives Customs Service.
- b) This regulation shall be cited as the 'Regulation for Reporting Cash Imported into and Exported from Maldives'

2. Declaration

- a) If any individual imports or exports cash by air, sea, courier service, post, or any other means, the amount equivalent to or exceeding the limit prescribed by the Maldives Monetary Authority (MMA) must be declared to Customs through a prescribed form or an online application in the format prescribed by Customs.
- b) If a financial institution imports or exports an amount of cash that is required to be declared to Customs under subsection (a) of this Article, it shall promptly notify Customs in writing, furnishing details as to the amount, denominations, currency, purpose, and method of import or export. A copy of the document confirming the import or export, as specified by the Financial Intelligence Unit of Maldives Monetary Authority, must be submitted along with this notification.
- c) If an individual imports or exports money on behalf of a financial institution, in addition to the documents referred to in subsection (a) and (b) of this Article, a document specifying that the individual is importing or exporting cash on behalf of the financial institution shall be submitted to Customs.
- d) The exchange rate of foreign currency to be declared, as referred to in (a) of this Article, shall be the rate approved by the Maldives Monetary Authority at the time of the import or export of such currency.

- e) If the exchange rate is not published, as referred to in (d) of this Article, the exchange rate of the currency shall be deemed to be the rate at which the currency is exchanged in the market.

3. Timing of Declaration

- a) Any individual departing from Maldives by air, shall declare to Customs the cash subject to declaration in his/her possession before the airline's check-in counter issues a boarding pass for departure from Maldives.
- b) Any individual departing the Maldives by sea, shall declare the cash subject to declaration in his/her possession before Customs grants outward clearance to the vessel for departure from the Maldives.
- c) Any individual arriving in the Maldives by air shall declare the cash subject to declaration in his/her possession before undergoing customs inspection for entry into Maldives or before opting for the designated Green Channel.
- d) Any individual arriving in the Maldives by sea shall declare the cash subject to declaration in his/her possession before Customs grants inward clearance to the vessel for entry into the Maldives.
- e) In the event cash is brought into or sent from Maldives through postal, courier, or cargo services, the person responsible for bringing or sending the cash shall declare it to Customs before the baggage or consignment undergoes inspection at any stage by Customs.
- f) Where postal or courier service providers become aware that they are in possession of a package or consignment that contains cash in an amount or above the limit prescribed by the Maldives Monetary Authority subject to declaration to Customs as specified in subsection (e) of this Article, they shall provide that information to Customs.

4. Seizure

- a) Customs may seize cash imported into or exported from the Maldives in case of non-disclosure as prescribed in this regulation. In such instances, Customs is authorized to conduct a search of the person attempting to import or export the cash and the items in their possession. Where Customs inquires as to the source of cash subject to seizure, the person attempting to import or export cash is required to provide true information substantiating the origin of cash.
 - 1. Where the declared or undeclared cash, is suspected of being connected or related to an act of money laundering or terrorism financing.
 - 2. Discovery of non-disclosed cash during the inspection of customs or any other authority;
 - 3. Providing inaccurate information when declaring cash required to be declared under this regulation;
 - 4. Failure or refusal to provide adequate information when questioned regarding the declaration of cash under this regulation;
 - 5. Failure to comply with the provisions set out in Article 2(b) and (c) of this regulation regarding the declaration of cash by a financial institution;
 - 6. Concealment of cash with the intent to evade or commit fraud.

- b) Where Customs has seized cash as per paragraph (a) of this Article, the 'CURRENCY SEIZURE RECEIPT' provided in Schedule 1 of this regulation shall be issued by Customs to the individual whose cash has been seized by Customs. In circumstances where immediate delivery of this document is not practicable, the aforementioned receipt must be furnished to the individual within a maximum of 1 (one) day, excluding public holidays, employing one of the following methods:
1. By registered post to the individual's permanent address or the most recent residential address duly communicated to Customs.
 2. To the email address or mobile number designated by the individual for communication purposes.
 3. Transmit it through alternative electronic channels designated for communication by the individual.

5. Administrative Actions and Handling of Seized Cash

- a) If the funds seized under this regulation are suspected to be linked with money laundering or terrorism financing, or if there is suspicion of smuggling or attempted smuggling in or out of the Maldives, Customs shall conduct an investigation following the seizure. This Article does not preclude a joint investigation by Customs and the Maldives Police Service, taking into consideration the circumstances of the case.
- b) In the circumstances outlined in subparagraphs (2), (3), and (4) of Article 4(a) of this regulation, the individual shall incur a fine of 25% (twenty-five percent) of the cash discovered in their possession upon the first occurrence. Upon the second occurrence, a fine of 50% (fifty percent) of the cash discovered in their possession shall be imposed. In the event of a third occurrence, Customs shall confiscate all the cash found in the individual's possession. For the purposes of this Article, a repeated violation is considered to have transpired within a period of 5 (five) years. The individual attempting to import or export cash is required to pay the fine in Maldivian Rufiyaa within 48 (forty-eight) hours from the date of seizure.
- c) The individual who imported, or exported, or attempted to import or export cash shall be responsible for proving that the cash seized herein was lawfully acquired in accordance with the laws of the Republic of Maldives.
- d) The individual who imported, exported, or attempted to import or export the cash seized under this regulation shall be granted a period of 48 (forty-eight) hours from the time of seizure to submit documents or evidence validating the lawful acquisition of the cash. In the event of a valid reason preventing the submission of the required documents or evidence within the initially stipulated time by Customs, a second extension of 48 (forty-eight) hours may be granted, provided the reason is deemed acceptable by Customs.
- e) Customs shall have the authority to confiscate the cash under a court order if the documents or evidence required to establish the lawful origin of the funds are not submitted within the period specified under subsection (d) of this Article or within any extended period granted.
- f) If a financial institution that attempted to import or export money has failed to notify Customs, as stipulated in Article 2(b) and (c) of this regulation, the financial institution shall receive a written warning for the initial violation and be directed to adhere to this regulation. In the event of a repeat

offense within 5 (five) years, a fine of MVR 10,000 (ten thousand Maldivian Rufiyaa) shall be imposed for the first occurrence, and an additional fine of MVR 10,000 (ten thousand Maldivian Rufiyaa) shall be levied for each subsequent violation.

- g) Except in the cases specified in Article 5(d) and (e) of this regulation, if Customs is satisfied that the cash seized under this regulation is not associated with money laundering or terrorism financing, within 7 (seven) days from the date of determination, after completing the required administrative procedures, the cash shall be returned to the individual who intended to import or export it, or to a person appointed by that individual. In the event of such repayment, it shall be the amount remaining after deducting the penalty imposed under subsection (b) of this Article if such penalty amount has not been paid in full.
- h) Customs shall have the authority to confiscate the funds seized under subsection (g) of this Article through a court order if they are not withdrawn within 30 (thirty) days from the date of the notice to return the funds.

6. Responsibilities of other Authorities

- a) If any other authority determines that an individual arriving or departing from Maldives has failed to declare cash as required by this Regulation, the said authority shall promptly notify Customs.
- b) In the event outlined in subsection (a) of this article, the agency shall promptly hand over both the cash and individuals involved to Customs without undue delay

7. Responsibility of the Port Operator

It is the responsibility of the Port Operator to make necessary arrangements for the proper implementation of this Regulation by Customs. Accordingly, within 30 (thirty) days from the effective date of this Regulation, the port operator shall install instructional signboards in designated languages and establish specific counters for the declaration of cash at locations as specified by Customs at the international ports of the country.

8. Providing Information to the Financial Intelligence Unit

Customs shall, within 3 (three) days, excluding public holidays, report to the Financial Intelligence Unit the information concerning cash declared to Customs under this regulation, administrative actions undertaken by Customs, and cases investigated pursuant to this regulation.

9. Definitions

The following terminologies shall be defined as provided accordingly;

- a) "Cash" shall mean physical cash or bearer negotiable instruments.

- b) "Declaration to Customs" shall mean declaration submitted to Customs after completion of the application form or format prescribed by Customs for declaration of cash under this regulation.
- c) "Customs" shall mean Maldives Customs Service established by Act No. 2011/8 (Customs Act).
- d) "Financial Intelligence Unit" shall mean the Financial Intelligence Unit established in the Maldives Monetary Authority under Article 27 of Act No. 2014/10 (Prevention of Money Laundering and Financing of Terrorism Act).
- e) "Port Operator" shall mean Port Operator referred to in Article 58 of Act No. 2011/8 (Customs Act) and Article 7 of Regulation No. 2011/R-41 (Customs General Regulation).
- f) "Denomination" shall mean Banknotes and coins with a stated face value that are used as a legal tender.

10. Commencement of the Regulation

- a) This regulation shall take effect on the date of publication in the Gazette of the Government of Maldives.
- b) The procedures outlined in Article 5 of this Regulation shall be applicable to cases under investigation or proceedings pertaining to cash seized in accordance with Regulation No. 2015/R-112 (Cash Declaration Regulation).

11. Revoked Regulation

Upon the commencement of this Regulation, Regulation No. 2015/R-112 (Cash Declaration Regulation) is hereby revoked.

DISCLAIMER

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Schedule 7

MALDIVES CUSTOMS SERVICE
Male', Republic of Maldives
DATE:



No:

CURRENCY SEIZURE RECEIPT

Passenger Information

| | | | |
|---------------------------|--|-----------------------|--|
| Name: | | Passport no: | |
| Permanent address: | | | |
| Present address | | Nationality: | |
| Contact no: | | DOB: | |
| Profession: | | Place of work: | |

Seized Currency Details

| Currency Type | Denomination | Quantity | Amount |
|----------------------|---------------------|-----------------|---------------|
| | | | |

The above mentioned cash have been seized by Maldives Customs Service on the ground of inconsistencies of information provided and on suspicious of money laundering or Financial Terrorism under Law no: 10/2014 Prevention of Money Laundering and Financing of Terrorism Act.

SEIZED BY: _____ **Card No:** _____ **SIGN:** _____

WITNESSED BY: _____ **Card No:** _____ **SIGN:** _____

1. _____

2. _____

PASSENGER DETAILS: _____ **SIGN:** _____

Name: _____
Passport No: _____