India-Maldives Bilateral Relations

India and Maldives share ethnic, linguistic, cultural, religious and commercial links steeped in antiquity. The relations have been close, cordial and multi-dimensional. India was among the first to recognize Maldives after its independence in 1965 and to establish diplomatic relations with the country.

2. Maldives' proximity to the west coast of India (barely 70 nautical miles away from Minicoy and 300 nautical miles away from India's West coast), and its situation at the hub of commercial sea-lanes running through Indian Ocean (particularly the 8° N and 1 ½° N channels) imbues it with significant strategic importance to India.

3. India has a pre-eminent position in the Maldives, with relations extending to virtually most areas. The importance of India's strategic role in Maldives is well-recognized, with India being seen as a net security provider. Maldives occupies a special place under "Neighbourhood First" Foreign Policy of India, which aims to bring stability and prosperity in the Indian Ocean Region (IOR). Also, both the nations are key players in maintaining safety and security of the IOR, thus contributing to India-led Security And Growth for All in the Region (SAGAR) vision.

4. India's relationship with the Maldives is free of any politically contentious issues. The one-time claim of Maldives to Minicoy Island was resolved by the Maritime Boundary Treaty of 1976 between the two countries, whereby Maldives has recognized Minicoy as an integral part of India.

5. India's prompt assistance during the 1988 coup attempt, led to development of trust and long-term and friendly bilateral relations with the Maldives. The immediate withdrawal of our troops when they were no longer required assuaged fears of any Indian dominance or territorial aspirations.

6. India was the first to assist Maldives during the 2004 Tsunami as well as the water crisis in Malé in Dec 2014. These three incidents (in 1988, 2004 & 2014) had established the advantages of India's proximity and capacity to come to Maldives' rescue in distress vis-à-vis any other country and are widely acknowledged by the Government and people of Maldives. India's swift dispatch of 30,000 doses of measles vaccine in Jan 2020 to prevent an outbreak in the Maldives, and India's rapid and comprehensive assistance to the Maldives during COVID-19 pandemic further reinforced India's credentials of being the "first responder".

High level exchanges in past few years

7. Prime Minister Narendra Modi attended the inauguration ceremony of H.E. President Ibrahim Mohamed Solih on 17 Nov 2018 as the only Head of State / Head of Government. He also held bilateral discussions with H.E. President Solih just after his swearing-in ceremony, in which he conveyed India's desire to work closely for the realization of Maldives' developmental priorities, esp in areas of infrastructure, health care, connectivity and HRD.

8. Foreign Minister Abdulla Shahid paid an Official Visit to India in Nov 2018. He was accompanied by Minister of Finance and Economic Development, among others.

9. On his first overseas visit after assuming office, H.E. President Solih paid a 'State Visit' to India in Dec 2018, during which India announced a financial assistance package of USD 1.4 bn which included USD 50 mn as budgetary support to GoM, subscription by SBI to the GoM's T-bills of USD 150 mn, Currency Swap Agreement for USD 400 mn and 8 infrastructure

Projects under the USD 800 mn Line of Credit (LoC). India also offered additional 1000 training slots over the next 5 years.

10. Defence Minister Mariya Didi visited India in Jan 2019, during which the 2nd Defence Cooperation Dialogue was held. She visited India on several occasions including for DEFEXPO in Feb 2020, IOR DM's conclave in Bangalore in Feb 2021 & INA Kochi as Chief Guest at Passing-out-Parade in Nov 2021 and Defence Expo in Oct 2022.

11. Former EAM Late Smt. Sushma Swaraj visited Maldives in March 2019. Several agreements including LoC Agreement for USD 800 mn & MoU for grant assistance for High Impact Community Development Projects (HICDPs) was also signed during the visit. India also gifted 2500 LED street lights and 2,00,000 LED bulbs to Malé City Council. EAM also announced the grant of INR 500 million to Maldives for 18 bilateral projects related to the socio-economic development, particularly creation of infrastructure in the education, health, etc.

12. PM Modi, on his first overseas visit after taking oath of the office for his second term, visited Maldives on a State Visit in June 2019. PM also addressed a session of the newly constituted People's Majlis. Various MoUs were also signed in the field of Hydrography, Health, establishment of Passenger-cum-Cargo service by sea, cooperation in Customs' capacity building, Civil Servants trainings and exchange of White Shipping Information between IN & Maldivian National Defence Force (MNDF). Both the leaders jointly inaugurated MNDF's Composite Training Centre (CTC) facility in Maafilafushi and Coastal Radar System (CRS) by remote links. Both sides agreed for resumption of the Colombo Security Conclave (CSC), an NSA level trilateral mechanism (India-Maldives-Sri Lanka) on marine security and constitution of a JWG on Counter Terrorism. PM also announced supporting restoration of Hukuru Miskiiy (Friday Mosque) in Malé.

13. An inter-ministerial delegation led by Minister of Economic Development Fayyaz Ismail visited New Delhi in July 2019. During the sidelines of this visit, CII also organized networking and business development sessions for the delegation to raise Indian investment for newly formed 100% state body - Maldives Fund Management Company.

14. Chief of Defence Force of MNDF Major General Abdulla Shamaal visited India in July 2019. During his visit he met Raksha Mantri, NSA, CAS, COAS and CNS and delivered speeches at IDSA (now MPIDSA) and NDC. In Feb 2021, CDF visited Bengaluru for AERO India. In July 2022, CDF undertook official visit to India where he met Chiefs of Army, Airforce & Navy besides graced and reviewed, as Chief Guest, POP at OTA Chennai.

15. EAM visited Maldives in Sept 2019 to participate in 4th Indian Ocean Conference. During the visit, an Agreement on Mutual Legal Assistance in Criminal Matters was signed.

16. The 6th Joint Commission Meeting (JCM) was held in New Delhi in Dec 2019. EAM Dr S Jaishankar and Foreign Minister Shahid co-chaired the JCM which undertook a comprehensive review of the bilateral agenda and charted a way forward. The two Ministers also witnessed the exchange of Instrument of Ratification of Treaty on Mutual Legal Assistance in Criminal Matters and signing of the MoUs between the Financial Intelligence Units (FIUs) of Maldives and India, and between Elections Commission of Maldives and Election Commission of India.

17. At a Video Conference held between PM and H.E. President Solih on Dec 4, 2019, 4 projects were highlighted viz. gifting of street lights to Male; operationalising of RuPay Card in the Maldives; signing of MoUs for Indian grant assistance to set up 3 fish processing plants in Addu under HICDPs scheme & gifting of CGS Kaamyaab to the MNDF.

18. PM Modi and H.E. President Solih had telephonic conversations in April 2020 and July 2021 to discuss the COVID19 pandemic situation and India's developmental assistance to the Maldives.

19. A virtual meeting between EAM and Foreign Minister Shahid was held on Aug 13, 2020. The launch of cargo vessel service between India and the Maldives, the setting up of the air travel bubble, India's support for the Greater Male Connectivity Project (GMCP) with a USD 400 million LoC & USD 100 million grant, renewal of essential commodities trade agreement, and, financial assistance of USD 250 million for budget support to the GoM were announced.

20. Foreign Secretary Harsh Vardhan Shringla visited the Maldives in Nov 2020. During his visit, an MoU on Sports & Youth Affairs was signed during the visit along with two MoUs for HICDPs. FS handed over equipment to set up 67 children's parks across the Maldives. FS also announced India's support to Foreign Minister Shahid for the latter's candidacy for the post of UNGA President in 2022.

21. EAM visited the Maldives in Feb 2021. During the visit, the UTF Agreement to develop a harbour for the MNDF, and a USD 50 million LoC for the MNDF were also signed. EAM gifted 100,000 doses of COVISHIELD vaccines to the Maldives. EAM also announced a USD 40 million LoC for sports infrastructure for the Maldives. AFCONS signed the contract for the EXIM Bank of India supported Addu Roads LoC project during the visit. An MoU between Prasar Bharati and PSM, and an MoU to support a fish processing plant in Kendhikulhudhoo under the HICDPs scheme also signed.

22. Foreign Minister Shahid visited India in April 2021 and July 2021 (as UNGA President). Revised MoU for HICDPs increasing outlay to MVR 155 mn was signed during the latter visit.

23. EAM visited Addu City in Maldives in March 2022. Several agreements were signed in areas of extending National Knowledge Network of India (NKN) to Maldives, capacity building & cooperation between Police Academies, reciprocal recognition of Covid vaccination certificate, and signing of Contract for Addu Reclamation Project, etc. During the visit, ground-breaking of the Addu Roads Project and Handing-Over of the CRS to the MNDF was also organised besides inauguration of National College for Police and Law Enforcement (NCPLE), Drug Detoxification and Rehabilitation Centre, Hulhudhoo and Eco-Tourism Zone, Meedhoo. EAM also announced 7 new HICDPs.

24. H.E. President Solih paid an Official Visit to India from 1-4 Aug 2022. He was accompanied by key Ministers and a business delegation. H.E. President Solih had official talks with Prime Minister Modi. He also met with President of India, Smt. Droupadi Murmu. H.E. President Solih and PM Modi jointly launched 'first-pouring of concrete for the Greater Male' Connectivity Project'; reviewed progress on construction of 4000 Social Housing Units in Hulhumale' under Buyers' Credit and other ongoing bilateral projects. Several agreements were signed in areas of Cybersecurity, cooperation in Disaster Management, collaboration in potential fishing zone forecast capacity building and data sharing and marine scientific research, Capacity Building & Training of Members of Local Councils & Women Development Committee of Maldives. Also, Agreement for Credit Financing of Police Infrastructure in Maldives and Letter of Intent on Buyer's Credit for additional 2,000 social housing units were signed. Key announcements made during the visit included **i)** Extension of USD 100 mn Line of Credit to finance infrastructure projects in Maldives **ii)** Facilitation of duty free tuna exports to India from Maldives **iii)** Gifting of replacement ship for the earlier provided ship-CGS Huravee -to MNDF **iv)** Supply of the second Landing Craft Assault (LCA) **v)** Gifting of 24 utility vehicles to MNDF. H.E. President Solih participated in India-Maldives Business forums held in Delhi and Mumbai. H.E. President Solih also visited Jawaharlal Nehru Port Trust (JNPT), Bombay Stock Exchange (BSE) & Mumbai Film City.

25. Foreign Minister Abdulla Shahid paid an official visit to India as President UNGA in August 2022. During the visit, he met FS, EAM and called on Vice President. He also visited India in March 2023 to attend the 8th edition of the Raisina Dialogue.

26. Foreign Secretary Vinay Mohan Kwatra visited Maldives in October 2022. During the visit, besides reviewing the bilateral partnership with his Maldivian counterpart and other meetings, FS also witnessed exchange of the USD 100 mn supplementary LoC and handing over of a vessel procured through grant support to the Maldives Correctional Services. FS also symbolically handed over 24 utility vehicles to MNDF.

27. EAM Dr. S. Jaishakar visited Northern Atolls of Maldives in January 2023. EAM witnessed exchange of several agreements viz. **(i)** MoU for additional grant assistance of MVR 100 million for the HICDPs scheme, **(ii)** MoU between Maldives National University and Cochin University of Science and Technology on capacity building to facilitate exchanges and co-operative initiative in the area of education, research, development instruction, community service, staff and student exchanges & **(iii)** MoU for development of a sports complex in Gaafu Dhaal Gadhdhoo. Also witnessed the handover of two sea ambulances to the Ministry of Defence of Maldives which was a project carried out under the HICDP Scheme. Jointly inaugurated Foakaidhoo Community Centre facilitated under Indian grant assistance. Also attended the ground breaking ceremony of Hanimaadhoo International Airport Development Project, being constructed under the Indian LoC. In addition, EAM also witnessed the signing of agreement to develop the MIFCO Felivaru Cold Storage Complex under the Indian LoC.

28. Defence Minister Rajnath Singh visited Maldives on an official visit in May 2023. During his visit, besides various calls on and meetings, DM attended the ceremony for the commissioning of the replacement ship for Huravee, in the presence of the H.E. President Solih. He also gifted MNDF an additional Landing Craft. Along with Minister Didi also laid the foundation stone for the MNDF Coast Guard 'Ekatha Harbour'.

29. MoS for External Affairs V. Muraleedharan visited Maldives on an official visit in June, 2023. He participated in the inauguration ceremonies of 03 eco-tourism zones, developed under HICDPs scheme, in Addu City. Also participated in the Groundbreaking Ceremony of Addu Reclamation Project and Gan International Airport Development Project, both being funded under GoI's concessional LoC. Also witnessed the exchange of 10 MoUs under HICDP Phase-II and handing over of Anti-TB Medicines to the Maldives' Ministry of Health. Also had Interaction with the members of Indian community in Maldives.

30. Foreign Minister Abdulla Shahid visited India on an official visit in July 2023. FM besides meeting the EAM, also delivered the 43rd Sapru House Lecture at the Indian Council of World Affairs (ICWA) in New Delhi. Both Ministers also witnessed exchange of 09 HICDPs MoU.

31. Prime Minister Shri Narendra Modi congratulated the new democratically elected H.E. President of Maldives Dr. Mohamed Muizzu. PM Modi conveyed that "India remains committed to strengthening the time-tested India-Maldives bilateral relationship and enhancing our overall cooperation in the Indian Ocean Region".

32. Minister of the Earth Sciences of India Kiren Rijiju represented India at H.E. President Dr. Mohamed Muizzu's swearing in ceremony of ceremony . During the visit, Hon'ble Minister also called on President Solih and President Dr Muizzu. Hon'ble Minister also reviewed the progress of various India-supported development projects being implemented in the Greater Male' Region.

33. On 1st Dec 2023, on the sidelines of COP-28 Summit in the UAE, PM Modi and H.E. President Dr. Mohamed Muizzu met. Both leaders reviewed the wide ranging bilateral

relations between the two countries including people-to-people linkages, development cooperation, economic relations, climate change and sports. Both the leaders also discussed ways to further deepen their partnership. In this regard, they agreed to set up a core group. 03 meetings of High Level Core Group (HLCG) have been held so far.

34. H.E. Foreign Minister Moosa Zameer and EAM Dr. S. Jaishankar met on the sidelines of the Ministerial Meeting of the NAM in Kampala, Uganda in January 2024.

Security & Defence Cooperation:

35. Since 1988, defence and security has been a major area of cooperation between India and Maldives. India has adopted a very flexible and accommodating approach in meeting Maldivian requirements of defence training and equipment. A comprehensive Action Plan for Defence was also signed in April 2016 to consolidate defence partnership.

36. **Capacity Building/Training**. India provides the largest number of training opportunities for Maldivian National Defence Force (MNDF), meeting around 70% of their defence training requirements. India has trained over 1500 MNDF trainees over the past 10 years. MNDF officers have been trained in various defence academies in India viz. NDA, IMA, OTA, INA, AFMC, etc. MNDF has also been participating in various joint activities with Indian Defence forces such as joint EEZ patrols, joint exercises, anti-narcotic ops, SAR, sea-rider programme, HADR exercises, adventure camps, sailing regatta, etc. Indian Navy has also provided MNDF with air assets for air surveillance, MEDEVAC, SAR, Helo-borne vertical insertion capability. Around 600 MEDVACs, SAR operations and medical teams transfers have been conducted in last 5 years. Besides providing medical equipments, a team of Medical Specialists has been serving Maldivians at MNDF's Senahiya Hospital, Male' and are sharing expertise with MNDF doctors. Many MNDF doctors have / are being trained at Armed Forces Medical College, Pune.

37. India-Maldives Defence Cooperation also extends to the areas of Joint Exercises, Maritime Domain Awareness, gifting of hardware, infrastructure development, etc. Key projects in the defence sector includes Composite Training Centre (CTC) for MNDF, Coastal Radar System (CRS), construction of new Ministry of Defence Headquarters and construction of "Ektha" MNDF harbour.

38. **Institutional Mechanisms**. Annual Defence Cooperation Dialogue at level of Defence Secretary was initiated in July 2016 with 2nd edition held in Nov 2017. After a brief hiatus due to COVID19 pandemic, the 3rd edition of DCD was conducted at Male on 14 Feb 2022. 04 DCD was conducted in March 2023. Annual Joint Staff Talks were started in Feb 2016 and 6th edition was conducted in Dec 2022. MNDF continues to participate in various fora such as IONS, Goa Maritime Conclave and Goa Symposium. There are presently 3 major joint exercises – bilateral i.e. "Ekuverin" and "Ekatha" and trilateral i.e. "Dosti" (incl Srilanka). which are held regularly at dates decided in mutual consultations. Most recently, in Feb 2024, the trilateral exercise "Dosti" was held in Male', with Bangladesh as observer.

39. **Disaster Management**. MNDF regularly participates in Humanitarian Assistance & Disaster Relief, Search & Rescue (SAR), Pollution Control, other exercises organised by India. India previously provided pollution dispersant to MNDF Coast Guard in 2016. India is also undertaking customised trainings for MNDF Fire and Rescue Service in India.

40. **Development Cooperation**

The major completed and ongoing development assistance projects executed by India are:

- **Indira Gandhi Memorial Hospital**. The hospital was built with Indian Grant Assistance in 1995. Major renovation of IGMH funded by GoI was completed in June 2017 at a cost of INR 52 Cr. Late EAM Smt Sushma Swaraj dedicated the renovation of IGMH to the people of Maldives during her visit to Malé on 17-18 March 2019.
- **Maldives Institute of Technical Education (now called the Maldives Polytechnic)**: The MoU for setting up Maldives Institute for Technical Education (MITE) was signed in March 1992. MITE was completed at a cost of INR 12 Cr and handed over to GoM in Sept 1996.
- **India-Maldives Faculty of Hospitality & Tourism Studies**: The foundation stone for the Faculty was jointly laid by Late PM Vajpayee and President Gayoom during the former's visit to Maldives in Sept 2002. The Faculty, built with Indian grant assistance of INR 64.5 Crore, was officially handed over to GoM in Feb 2014.
- **Technology Adoption Programme in Education Sector in Maldives**: The US$ 5.3 million project fully funded by GoI was launched in June 2011 to provide ICT training to Maldivian teachers and youth and for vocational training. The project concluded in Dec 2013.
- **National College for Police and Law Enforcement (NCPLE):** With GoI grant funding of INR 222.98 Crore, NCPLE is the single-largest grant project executed by India in the Maldives. The project was inaugurated by EAM Dr S. Jaishankar during his visit in March 2022.

Bilateral projects under Cash Grant of INR 50 crore (MVR 106.8 million): During the official visit of EAM to Maldives in 1 March 2019, a cash grant of INR 50 crores (MVR 106.8 million) to Maldives for important bilateral projects was announced to support the projects related to socio-economic development, particularly creation of infrastructure in the education, health or community development sectors. **Total 18 projects** including building of community / convention centres, community outdoor gyms & children parks, coastal protection, street lighting, student ferry between islands, vehicles for city councils, police infrastructure, sports infrastructure, inclusive education units, school classrooms project, emergency health unit, etc across islands were taken up for implementation. All of projects have been completed.

High Impact Community Development Projects (HICDPs) under grant: An MoU between India and Maldives regarding grant assistance of MVR 85 million for implementation of HICDPs through Local Bodies was signed during EAM's visit to Maldives in March 2019. The MoU was revised in July 2021 to enlarge the grant assistance to MVR 155 million from MVR 85 million. In January 2023, MoU for additional grant assistance of MVR 100 million for the HICDPs scheme was signed. During the visit of MoS VM to Maldives in June 2023, 10 HICDPs MoUs were signed. Additionally, 09 HICDPs MoUs were signed during the visit of FM Abdulla Shahid to India in July 2023. With this, a **total of 47 HICDPs** have been undertaken, out of which 08 have been completed and inaugurated.

Large Grant Projects: GoI is also supporting restoration of Hukuru Miskiiy (Friday Mosque) in Malé under Indian Grant of INR 8.95 crores. This was announced by Prime Minister during his address to the Majlis in June 2019.

Infrastructure & Connectivity Projects under Exim Bank Lines of Credit

US$ 800 million + USD 100 mn Lines of Credit: USD 800 mn LoC agreement between Ministry of Finance, GoM and EXIM Bank of India was signed in March 2019. A USD 100 supplementary LoC was signed in Oct 2022. The following projects are being implemented under these LoCs:

Water and Sanitation in 34 Islands: The project seeks to improve water supply and sewerage facilities in 34 identified islands by installing proper water supply distribution network, ensuring protection of ground water aquifer and sustainable water source management. On the basis of tendering process, GoM awarded the project as 6 packages to 4 Indian contractors in March 2021. Many of the projects have been commissioned and handed over.

Addu Development Project (Roads and Land Reclamation): This is a key infrastructure project required for Addu to establish itself as the southern regional hub of Maldives. The scope includes roads, street lighting, storm water drainage, shore protection and land reclamation for the development of tourism infrastructure. On the basis of tendering process, the contract was awarded to AFCONS and work is progressing well. On the basis of tendering process, the contract for the Land Reclamation portion of the project was awarded to Indian subsidiary of a Dutch company "Van Oord'. Reclamation segment of the project has been completed.

Expansion of Maldives Industrial Fisheries Company Limited (MIFCO) facilities in Felivaru and Gemanafushi: MIFCO currently collects 60% of skipjack tuna caught by the fishermen at a fixed price set by Government. MIFCO has the capacity of adding value to 40% of the collection, while the rest is exported as frozen tuna, resulting in the export of frozen tuna becoming a loss-making operation, affecting the sustainability of the company. On the basis of tendering process,, Contract to develop the cold storage facilities in the MIFCO Felivaru and Gemanafushi was awarded to Rinac India Limited in January 2023. Work is ongoing.

Airport Redevelopment Projects in Hanimaadhoo and Gan: The EXIM Bank of India is supporting the redevelopment of airports in Hanimaadhoo and Gan. India funded the DPRs for both these projects which have been prepared by the Airports Authority of India. On the basis of tendering process, GoM awarded the contract for Redevelopment of Hanimaadhoo in September, 2022 to JMC Projects India Pvt Ltd. In Feb 2023, Ministry of Economic Development, on the basis of tendering process, awarded the contractor to Renaatus Projects Private Limited of India for development of the Gan International Airport. The projects are progressing well.

Greater Male Connectivity Project: The project aims to connect Male to Villingili, Gulhifalhu and Thilafushi islands through a series of bridges, causeways and roads. The project is crucial for the proposed Gulhifalhu Port, and will be a major catalyst for the Maldivian economy in the future through jobs and economic activity. It is funded through a separate USD 400 million LoC and USD 100 million grant from India. On the basis of tendering process, GoM awarded the contract to AFCONS in **August 2021**. The project is progressing well and is monitored regularly by a Joint Project Monitoring Committee (JPMC).

USD 50 million Defence Line of Credit was concluded during EAM's visit to Maldives in Feb 2021.

USD 40 million Sports Line of Credit was extended to the Maldives in Sept 2021 to develop the sports infrastructure across the islands.

Projects under EXIM Bank's Buyers Credit

- **Social Housing projects in Hulhumale' Phase II :** On 23 Sept, 2021 EXIM Bank of India concluded two Agreements with Fahi Dhiriulhun Corporation Ltd (FDC) of Maldives to extend Buyers Credit of approx. USD 227 million for the construction of 4000 Social Housing Units (2800 units of 3 bedrooms and 1200 units of 2 bedrooms) in

Hulhumale' Phase II. The construction is being undertaken by National Buildings Construction Company (NBCC) and JMC Projects (India) Ltd. The project is under implementation.

- **Road projects:** Earlier, EXIM Bank had extended around $53 million in Buyers' Credit to a Mohan Mutha- Ashoka Buildcon JV for development of roads in Hulhumale' Phase I & II. The project has been completed.

- **Police Infrastructure Development project:** Buyers Credit agreement extending USD 41 million to develop Police Infrastructure in Maldives was signed during H.E. President Solih's visit. The ground breaking ceremony was held at Thulusdhoo island on 10th August 2022.

Bilateral Economic and Trade Relations

41. India and Maldives signed a trade agreement in 1981, which provides for export of essential commodities. Growing from modest beginnings, India-Maldives bilateral trade crossed the USD 300 million mark for the first time in 2021 which further crossed USD 500 million mark in 2022. Bilateral trade growth is a direct result of the launch of the cargo vessel service between the two countries in September 2020 and commencement of work of various Lines of Credit (LoC) projects since February 2021. Implementation of visa-free entry in Feb 2022 for Indians arriving in the Maldives for business purposes is a further recognition of the growing commercial partnership.

42. India emerged as Maldives' 2nd largest trade partner in 2022 & the largest in 2023. Indian imports from the Maldives primarily comprise scrap metals while Indian exports to the Maldives include a variety of engineering and industrial products like drugs and pharmaceuticals, radar apparatus, rock boulders, aggregates, cement and agriculture produce like rice, spices, fruits, vegetables and poultry produce etc. Efforts are being made to tap the potential of seafood exports from Maldives to India. During Aug 1-4, 2022 official visit of H.E. President Solih to India, facilitation of duty free tuna exports to India from Maldives was announced.

Bilateral trade figures (Jan-Dec, in US$ million)

Year	Total Exports to Maldives	Total Imports from Maldives	Total Trade
2013	154.00	12.30	156.30
2014	170.60	2.90	173.50
2015	225.82	3.00	228.82
2016	274.55	1.55	276.10
2017	282.04	4.12	286.16
2018	286.13	3.01	288.14
2019	290.27	3.42	293.69
2020	241.90	3.33	245.23
2021	317.35	5.94	323.29
2022	495.40	6.42	501.82
2023	543.83	5.14	548.97
2024 (till Feb'24)	84.69	0.7	85.4

(Source: Maldives Customs Service)

43. State Bank of India has been playing a vital role in the economic development of the Maldives since February, 1974 by providing loan assistance for promotion of island resorts, export of marine products and business enterprises.

44. In November 2022, India in response to a request from the Government of Maldives, amid the economic challenges faced by the Maldives, handed over a financial assistance of US$ 100 million. This financial support is through subscription in Maldives' Government Domestic T-bonds by SBI, Malè. India has provided a sovereign guarantee to SBI for this financial assistance. In December 2022, the RBI signed a Currency Swap Agreement with the Maldives Monetary Authority (MMA) under the SAARC Currency Swap Framework, thus, enabled MMA to make drawls in multiple tranches up to a maximum of USD 200 million from the RBI.

Tourism

45. The Maldivian economy is heavily dependent on its tourism sector, which is the major source of foreign exchange earnings and government revenue. Tourism directly accounts for about quarter of GDP of Maldives and indirectly for a much larger proportion of GDP. In terms of direct employment, tourism accounts for > 1/3rd of job opportunities for Maldivians and if the allied sectors are included, the contribution of tourism sector in total employment (direct and indirect) would rise up to nearly 70%.

46. In 2018, India was the 5th largest source of tourist arrivals in Maldives with around 6.1 % (over 90,474) market share. However, in 2019, India reached the 2nd spot with almost double the number of arrivals compared to the 2018. In a pandemic-hit 2020, India was the largest source market for the Maldives with nearly 63,000 Indians visited the Maldives. From 2021 to 2023, India continued as the top tourists market with over 2.91 lakh, 2.41 lakh & 2.09 lakh Indian tourist arrivals and a 23%, 14.4% & 11.1 % market share, respectively. Since 2019, more than 1 million Indian tourists have visited India. In March 2022, India & Maldives agreed for an open skies arrangement which will further improve connectivity between two countries.

Education & Capacity Building

47. India has been a traditional partner for the Maldives in human resource development across sectors for decades. Several Maldivian youths acquire their higher education in India Universities every year. Indian teachers are popular at Maldivian schools across islands for decades. India has traditionally offered a substantial number of ICCR scholarships to Maldivian youth including 34+ for 2023-24. Since 2012-13, more than 170 Maldivian students have benefited from ICCR scholarship. Maldives has been a partner of the ITEC programme for several years. In 2019-20, the in-person ITEC slots were increased to 200. In 2022-23 & 2023-24, 174 & 200+ ITEC in-person slots have been utilised, respectively. Amid COVID19 pandemic led travel restrictions, various e-ITEC programmes were offered from October 2020 and till date around 700 Maldivians have benefited.

48. India is seeking to initiate/strengthen institutional linkages and in the past around 5 years, institutional linkages between counterpart organisations on both sides have increased adding heft to capacity building and training initiatives. Various MoUs have been signed focusing on capacity building of Human resources includes (i) **Civil Services** between Civil Services Commission (CSC) and National Centre for Good Governance (NCGG), (ii) Cooperation in **Customs** Capacity Building between Maldives Customs Service (MCS) and CBIC India, (iii) **Parliamentary** Cooperation between Lok Sabha and Majlis, (iv) **Judicial** Services Commission (JSC) of Maldives and the National Judicial Academy of India (NJAI), (v) **Election** Commission of India and the Elections Commission of Maldives, (vi) Public Service Media (PSM) and Prasar Bharati, (vii) **Auditor** General's Office (AGO) in the Maldives and the CAG, (vii) **Aligarh Muslim**

University (AMU) and Islamic University of Maldives (IUM), (viii) Peering agreement between High Education Network of Maldives (HNM) and **National Knowledge Network** of India (NKN), (ix) MMaldives **Police** Service (MPS) and Sardar Vallabhbhai Patel National Police Academy (SVPNA), Hyderabad for Capacity Building & Areas of Cooperation**,** (x) **Sports and Youth** Affairs, (xi) Capacity Building & Training of Members of L**ocal Councils & Women Development Committee** of Maldives between NIRDPR, India and Local Government Authority, Maldives, (xii) Collaboration in **potential fishing zone forecast capacity building** and data sharing and marine scientific research between INCOIS, India and Ministry of Fisheries, Maldives, (xii) Cooperation in the field of **disaster management** between NDMA, India and NDMA, Maldives, (xiii) Cooperation in the area of **Cyber Security** between CERT-India and NCIT, Maldives, **(xiv) Judicial Cooperation** between Maldives' Judicial Services Commission (JSC) and Ministry of Law & Justice, India, (xv) **Immigration** Cooperation, (xvi) Institute of **Chartered Accountants** of India (ICAI) and the Institute of Chartered Accountants of the Maldives (CA Maldives), etc.

49. Since 2019, total number of Maldivians visited India for various in-person training programmes are >3100. Similarly, >1700 virtual training slots in different subjects has been offered to Maldivians.

Consular Matters

50. Indian expatriate community in the Maldives has an approximate strength of 27,000. The have a strong presence in the health and education sector. Majority of the expatriate teachers in Maldives are Indian nationals (95% of ~1700 expatriate teachers are Indians as in 2022) and spread across various atolls / islands. Similarly, a large number of doctors, nurses, paramedics and pharmacist in Maldives are Indian nationals, mostly at middle and senior levels. Indian teachers and medical professionals are well respected in the society. Several Indian nationals are also engaged as technicians, engineers, managers, accountants and in hospitality & tourism sector working in various islands / resorts. There are Indian unskilled workers and most of them engaged in construction sector. In addition there are few Indian Businessmen running businesses since long. The Indian community in Maldives lives peacefully and con-exist with Maldivians and other expatriates, with no major issues being faced by them.

51. Indian expatriates and local Maldivians often organize social and cultural events, in association with the Indian Cultural Centre (ICC) Male'.

52. "Bilateral Agreement on the facilitation of Visa arrangements' signed in Dec 2018 came into effect on March 11, 2019, which grants visa-free entry for tourism, medical and business purposes bilaterally, for a period not exceeding 90 days in preceding six months. Further, 'Bilateral Agreement on Exemption from Visa requirement for holders of Diplomatic and Official Passports' signed in March, 2019 came into effect from Aug 05, 2019. In the year 2022, more than 140,000 Maldivians visited India for various purposes - medical, business, tourism and education.

53. Agreement for transfer of prisoners under the 'Transfer of Sentenced Persons (ToSP)' is active.

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March 2024