

## PSM interview: High Commissioner of India to Maldives, Munu Mahawar

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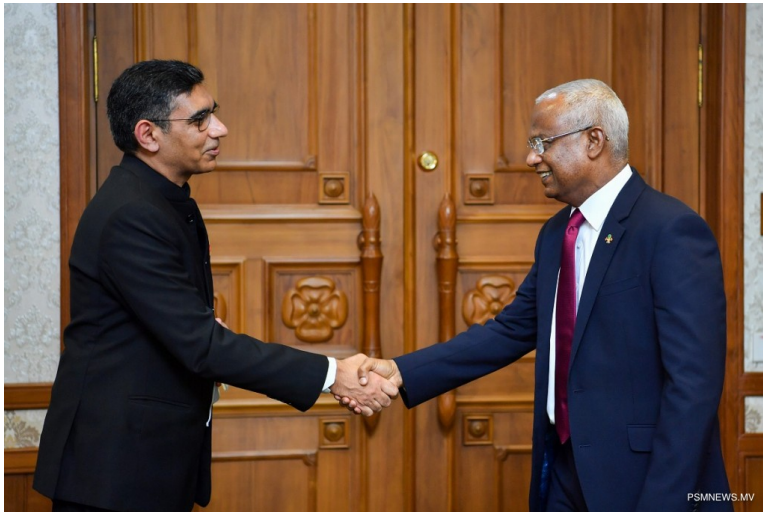


(The High Commissioner of India to the Maldives, Munu Mahawar – Photo: President's Office)

The High Commissioner of India to the Maldives, Munu Mahawar assumed the post on November 10, 2021.

PSM News interviewed the Indian High Commissioner commemorating the 73rd Republic Day of India. This interview highlights relations between both countries, topics of mutual interest, India's role in the military of Maldives and other significant topics. We are also delighted this is the first interview the new Indian High Commissioner did since assuming the post.

We extend heartfelt felicitations to the government of India and Indians in Maldives on their Republic Day.



(The High Commissioner of India to the Maldives, Munu Mahawar and President Ibrahim Mohamed Solih– Photo: President's Office)

### 1. How would you describe the time-tested relations between the two countries?

I thank you for doing this interview on the occasion of our 73rd Republic Day. 26 January 1950 is the day when the Constitution of India was promulgated and India became a Republic. The Indian Constitution has withstood the test of time and provided the framework to nurture India's democracy and pluralistic ethos and to safeguard the fundamental rights of its citizens. This year is also the 75th year of India's independence which we are celebrating as Azadi ka Amrit Mahotsav.

I extend warm greetings and felicitations to all Indian nationals living in the Maldives on this special occasion. Due to the pandemic, we will be celebrating this occasion in hybrid mode with a flag-hoisting event at the High Commission that will be broadcast. I also take this opportunity to convey our best wishes for the continued peace, progress and prosperity of the Maldives.

India and Maldives share a special partnership. As neighbours, our two countries have shared ethnic, linguistic, cultural, religious and commercial links for ages. The Indian Ocean – whose waters we share - has nourished the livelihoods of our peoples and fostered our fraternal links for centuries.

Today, our partnership is close, multidimensional and mutually beneficial. It spans socio-economic development, security, culture and commerce. Under the leadership of President Ibrahim Mohamed Solih and Prime Minister Narendra Modi, the India-Maldives partnership has expanded in scope into new areas and acquired more depth in traditional spheres of cooperation. There is greater flow of goods, services, people and ideas between our two nations.

The India-Maldives partnership is based on mutual respect and trust, and strengthened by our shared beliefs in democracy and the rule of law. Our two countries have always stood by each-other in their hours of need. This has been evident most recently during the ongoing COVID pandemic. There is a strong desire on both sides to continue further developing this special partnership.

## **2. Maldives and India have been close neighbourly countries with a long history of relations. How have the relations developed in the past three years?**

Maldives occupies a special place in India's Neighbourhood First policy. Under the leadership of President Solih and PM Modi, our bilateral relations have both expanded and deepened for mutual benefit.

Our development partnership has expanded tremendously. We are collaborating on large infrastructure projects – such as Greater Male Connectivity Project - as well as smaller high impact community development projects. The combined value of these projects is about USD 1.5 billion, being financed through grants and concessional loans from Government of India and Indian EXIM Bank. In addition, Indian EXIM is funding housing projects under Buyer's Credit scheme. Despite the challenges of COVID, we have been able to move forward on these projects and the progress will be visible in the coming months.

We have also scaled-up significantly our capacity building programmes. Hundreds of Maldivians undergo training in India in varied areas of activity. These include programmes in health, education, ICT and cyber security, renewable energy, and public finance, among others. Capacity building has been expanded through institutional linkages between customs, immigration, audit, civil services and law-enforcement services of both countries.

Our economic ties have strengthened in the last 3 years. The direct cargo vessel service has enabled greater and more cost-effective bilateral trade. The visa-free agreement has been a game-changer for people-to-people ties. It has enabled greater flow of people between India and Maldives. India was the largest tourism market for Maldives in 2020 and 2021.

Our two countries have worked closely to address the challenges emanating from the COVID pandemic. India was happy to support Maldives' vaccination efforts, facilitate travel of our Maldivian friends to India for medical treatment and also work with the Government of Maldives in addressing the economic challenges. We are also grateful to Government of Maldives for taking good care of the Indian nationals residing and working in the Maldives during the pandemic period. India will continue to work closely with the Government of Maldives.

We have also strengthened our cooperation to address the security challenges faced by both our countries from transnational crimes such as drug trafficking, illegal fishing and terrorism. India is committed to supporting the capacity enhancement efforts of the MNDF and the MPS.

Ultimately, this is a relationship driven by the people of both countries. The leadership and Governments can provide an enabling framework for bonds between people to strengthen and bear fruit. I feel that the people of India and the Maldives have come closer together in recent times through tourism, economic linkages, educational ties and cultural connects.

**3. As close and friendly neighbours, India and Maldives share ethnic, linguistic, cultural, religious and commercial links steeped in antiquity and enjoy cordial and multi-dimensional relations. India was among the first to recognise Maldives after its independence in 1965 and to establish diplomatic relations with the country. India established its mission at Malé in 1972. Since then, India has always had the back of Maldives. Following the new administration coming into power, India provided a financial support of USD 6.9 million in March 2019 to conduct socio-economic development projects across the country which are of high impact. How were the projects prioritized when allocating funds?**

India-Maldives development partnership is not new. The IGMH is a shining symbol of this partnership. However, as I mentioned earlier, our development partnership has witnessed huge expansion in the past few years. Today, we are collaborating on several large projects such as the Greater Male Connectivity Project; Addu Roads and Reclamation project; development of water & sewerage facilities on 34 islands; expansion of airports in Hanimaadhoo and Gan; Cricket Stadium in Hulhumale; restoration of the Hukuru Miskiy; expansion of MIFCO's facilities; and Cancer Hospital Project, among others.

Apart from these big projects, we are also supporting through grant aid smaller, quick gestation projects under two schemes - High Impact Community Development Grant Projects (HICDPs); and Cash Grant Scheme. Under HICDP, currently 20 projects worth over USD 10 million are being executed across the Maldives by Local Councils or Ministries. These include fish-processing plants, eco-tourism zones, drug detox facility, upgradation of infrastructure for schools and healthcare facilities, cultural centres, etc. Since these projects are chosen and implemented by the Government of Maldives in coordination with the Local Councils, they are designed to address the felt needs. We are happy to see the first HICDP – the drug detox facility in Hulhumeedhoo - completed. We hope that other HICDPs will be completed soon.

Under the Cash Grant Scheme, 18 projects worth about USD 7 million are being implemented for creation of infrastructure for education, health and community development. Of these, 14 projects have been completed and 4 are under implementation.

There are many other ways in which we are partnering with Government of Maldives in supporting the developmental efforts. Given that youth comprise the bulk of the populations of both our countries, we have placed special emphasis on addressing their needs. I have already mentioned about our capacity building programmes. We have extended a dedicated USD 40 million Concessional Line of Credit facility for sports infrastructure in the Maldives. We are working towards extension of the National Knowledge Network (NKN) to the Maldives, which will enable Maldivian institutions to link with educational and research institutions of India and benefit from their resources. We are offering 34 fully-funded scholar schemes for higher education in premier Indian institutions and also organizing youth exchange programmes.



(Maldives and India sign MoUs for eight projects under HICDP– Photo: Ministry of Foreign Affairs)

**4. India has been the First Responder to any crisis in the Maldives in the past – the 1988 coup attempt, the tsunami of 2004 and the drinking water crisis of 2014. During the pandemic, India was the first country to supply vaccines and other relief material. What are your thoughts on the way Maldives has dealt with the pandemic?**

The COVID pandemic has once again demonstrated the strength and resilience of India-Maldives partnership. It has also brought the fore the importance of close connectivity and geographical proximity.

Throughout the COVID-19 pandemic, India and Maldives have worked closely to mitigate its challenges, and our cooperation continues. Soon after the outbreak of the pandemic, when supply chains throughout the world were disrupted, supply of food, medicines and other essential items from India to Maldives continued. Maldives was one of the first recipients of vaccines from India. We also extended financial support of USD 250 million to deal with the immediate impact on the Maldivian economy. Maldivian friends could continue to travel to India for urgent medical treatment.

We are also grateful for the assistance given to the High Commission by the Government of Maldives for the repatriation of Indian nationals from the Maldives in May-June 2020.

India applauds the efforts of the Maldives during the pandemic. The rolling out of the vaccination drive by the Government has been very effective. The people of Maldives have displayed resilience despite difficulties and also got themselves vaccinated. I am happy to see that the Maldivian economy is on its way to recovery to pre-pandemic levels. This would not have been possible without the support of health workers and professionals and the vaccination drive of the Government.

I'm also proud of the Indian nurses, doctors and health workers serving across hospitals in the Maldives. They have done a tremendous job along with their Maldivian counterparts.

The India-Maldives partnership is first and foremost, a relationship between our peoples. We are happy that India and the Maldives could work together closely during the pandemic for the benefit of our peoples. As Prime Minister Modi recently reaffirmed, India will continue to support Maldives' efforts in successfully overcoming the challenges of COVID.

**5. I believe, the main concept of loan is understood by everyone. With loan aid comes debt on the country. Maybe this is one reason many locals are skeptical about loan aided projects. What are the leniencies provided by the Indian government in paying back the loans and mainly, does taking loans from foreign countries serves as a disadvantage to the central government?**

India's development partnership is based on the principles of transparency and partnership. The projects undertaken reflect the priorities of the Government of Maldives. From inception to the execution and inauguration, the Government of Maldives is the lead participant in the projects.

Based on requests from Government of Maldives, India has committed about USD 1.3 billion in concessional project finance in the Maldives. This includes a USD 800 million Line of Credit (LoC) for 9 large infrastructure projects; a USD 400 million LoC (along with USD 100 million grant) for the Greater Male Connectivity Project; a USD 40 million LoC for sports infrastructure; and a USD 50 million defence LoC for the MNDF.

These Line of Credit are extended at an extremely concessional and subsidized rate of interest of 1.75% – the financial implication of the difference in the market rate and the offered rate is borne by Government of India. They come with a 5-year grace period and a total repayment period of 20 years. These details are available on the website of the EXIM Bank of India. As a democracy, India is transparent with regard to the terms and conditions of its lending.

One must also remember that all these project-related loans are disbursed during the execution of the projects and are linked to project milestones. Since these projects entered the execution phase in 2021, the loans disbursed so far are only a portion of the committed amounts.

Thus, to summarize, the committed project finance from India is highly concessional; has extended periods of repayment; and is linked to project milestones.

**6. The Indian Ocean region faces many traditional and non-traditional safety and security challenges. Piracy, terrorism, armed robberies at sea, human trafficking, irregular movement of persons, drugs trafficking, crimes in the fisheries sector such as IUU fishing, degradation of ocean health, unlawful exploitation of marine resources and climate change with its related repercussions on environmental security are among those. How does India help in maintaining, strengthening and ensuring the maritime safety and security of Indian Ocean?**

Further, recently, the defence and security relations between India and the Maldives have been a subject of intense discussion. What is the role played by India in the security and safety of the Maldives?

As neighbours, the security of India and the Maldives are interlinked. Our two countries share common challenges and we have shared interest in maintaining peace and security in the Indian Ocean Region. As you have mentioned in your question, our region faces multiple security challenges of terrorism, drug trafficking, illegal fishing, etc. These security challenges are transnational in nature and can be effectively addressed only through close collaboration among the countries in the region. Close cooperation between our two countries is also essential for expansion of trade and commerce and ensuring lawful harnessing of oceanic resources in a sustainable manner.

The defence and security partnership between India and Maldives seeks to achieve these very objectives. The focus of our engagements has always been on capacity building through equipment, training and exercises. In recent years, we have significantly enhanced training opportunities for both MNDF as well as Maldives Police Service. The MNDF's Composite Training Center and the Addu Police Academy – for which the handing-over process has started – also reflect this shared focus on training and capacity building.



(Tourist arriving from IndiGo Airlines– Photo: MAACL)

**7. India was the largest tourism market for the Maldives in 2020 and 2021. Nearly 300,000 Indian tourists or 23% of all tourists who came to the Maldives in 2021 were from India. How do you see this trend?**

In August 2020, India and the Maldives set up the first air travel bubble in South Asia to facilitate the travel of medical patients from the Maldives and tourists from India. By the end of 2020, we knew that the air travel bubble had succeeded at an unprecedented level. This trend has continued in 2021.

India's outbound tourist numbers are expected to be 28.5 million in 2025. Geography, close and friendly relations between the two countries, and good marketing strategies can ensure that Indian tourism numbers in the Maldives will continue to grow in the future. Alongside its natural beauty and brand of hospitality, the Maldives enjoys a reputation as a safe destination for tourists in India. This is also a reason why Indian tourists aspire to visit the Maldives.

The visa-free agreement signed in Dec 2018 is a game-changer in terms of greater people-to-people linkages. Apart from tourism, I would also like to see greater interaction among our private business entities. I believe there is huge potential for expansion of our trade and investment ties. This will be a priority area for me and the High Commission in the coming years.

Link is here: <https://psmnews.mv/en/97902>

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