

India-Maldives Bilateral Relations

India and Maldives share ethnic, linguistic, cultural, religious and commercial links steeped in antiquity. 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 & 1 ½° N channels) imbues it with significant strategic importance to India.

3. 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 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.

5. India was also the first to assist Maldives during the 2004 Tsunami as well as the water crisis in Malé in Dec 2014 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

6. 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.

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

8. PM Modi 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), a 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 in Malé.

9. 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 GMCP'; 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, Disaster Management, fisheries, Capacity Building of Local Govt representatives. 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.

10. Prime Minister 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”.

11. In June 2024, H.E. President Dr. Muizzu alongwith his senior delegation visited India to participate in the swearing-in ceremony of PM Modi and the Council of Ministers. Following the swearing-in ceremony, both leaders met. H.E. President Dr. Muizzu also attended a Banquet hosted by President Smt. Droupadi Murmu at Rashtrapati Bhavan. On 10th June, H.E. President Dr. Muizzu met President of India. Also, EAM Dr S. Jaishankar called on H.E. President Dr. Muizzu.

12. External Affairs Minister (EAM) Dr. S Jaishankar was on an official visit to Maldives from 09-11 August 2024. EAM called on President H.E. Dr. Mohamed Muizzu, and reaffirmed his commitment to deepen the India-Maldives relationship further. EAM held discussions with H.E. Moosa Zameer, former Foreign Minister and reviewed the entire gamut of bilateral relations and also had productive discussions with the Minister for Defence and reaffirmed the commitment to deepen the India-Maldives defence and security partnership. EAM also met the Ministers of Finance and Economic Development & Trade and the Governor of Maldives Monetary Authority and discussed ways to strengthen trade and economic ties between the two countries. MoUs on capacity building of additional 1000 Maldivian civil servants in India and on introduction of UPI in Maldives were exchanged. EAM inaugurated India's Line of Credit (LoC)-assisted project of water and sewerage network in 28 islands of Maldives, six High Impact Community Development Projects (HICDPs) under grant assistance by India in the areas of mental health, special education, speech therapy and street lighting. EAM also visited Addu city on 11 August 2024 and inaugurated the Addu Reclamation and Shore Protection Project and Addu Detour Link Bridge Project.

13. President of the Republic of Maldives H.E. Dr. Mohamed Muizzu was on a State visit to India from 6-10 October, 2024. During his visit President Dr. Muizzu met Rashtrapati Ji and held discussions with Prime Minister Shri Narendra Modi on bilateral, regional, and international issues of mutual interest. President of Maldives and Prime Minister jointly adopted framework

document “India Maldives: A Vision for Comprehensive Economic and Maritime Security Partnership” and launched various development projects and witnessed exchange of MoUs for bilateral cooperation.

14. Minister of Foreign Affairs of Maldives H. E. Dr. Abdulla Khaleel was on an Official visit to India from 02-04 January 2025. He held bilateral meeting with External Affairs Minister Dr. S. Jaishankar and took stock of progress made on the understandings reached during the State Visit of President Dr. Muizzu to India in October 2024 and followed-up on issues that need further focus from both sides. During the visit, both sides signed a Memorandum of Understanding for implementation of High Impact Community Development Projects under Phase-III in Maldives, through grant assistance by the Government of India.

15. Minister of Defence, Mohamed Ghassan Maumoon along with delegation visited India from 07-11 Jan 25 for first official visit. He held bilateral talks with Hon’ble RM Shri Rajnath Singh. Minister discussed on various aspects of bilateral defence and security cooperation.

Security & Defence Cooperation:

16. 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.

17. **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 institutions in India viz. NDA, IMA, OTA, INA, AFMC, DSSC, NDC etc. MNDF has also been participating in various joint activities with Indian Armed Forces such as joint EEZ patrols, joint exercises, anti-narco ops, SAR, sea-rider prog, HADR exercises, sailing regatta, etc. Indian Navy has also provided MNDF with air assets for air surveillance, MEDEVAC, SAR, Helo- borne vertical insertion capability. Around 630 MEDVACs, SAR operations and medical teams transfers have been conducted since 2019. 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 AFMC, Pune.

18. India-Maldives Defence Cooperation also extends to the areas of Joint Exercises, Maritime Domain Awareness, gifting of hardware, provisioning of surface platforms, 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 “Ekatha” MNDF harbour. Chief of Defence Force of MNDF Major General Ibrahim Hilmy undertook official visit to India in September 2024. He also co-chaired 5th Defence Cooperation Dialogue (DCD) along with Defence Secretary from the Indian side.

Institutional Mechanisms

19. 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. 5th DCD was conducted in September 2024. Annual Joint Staff Talks were started in Feb 2016 and 7th edition was conducted in June 2024. 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” (including 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.

20. **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.

Development Cooperation-

21. The major completed 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 USD 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.
- **Addu Reclamation Project:** Under Indian LoC of \$ 80 mn, 190 ha was land has been reclaimed in Addu city. This project was inaugurated on 11th August 2024 during the visit of EAM Dr S Jaishankar to Maldives.

22. **Community Development Projects under grant:** With a total grant of \$ 361 mn, there are 65 such projects out of which 32 have been completed and inaugurated and rest are ongoing. The projects relate to building of community / convention centres, youth 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.

Infrastructure & Connectivity Projects under Exim Bank Lines of Credit

23. **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:

24. **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. During visit of EAM to Maldives in August 2024, 28 islands have been handed over to Government of Maldives.

25. **Addu City Development Project (Roads & Drainage):** 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 for the development of tourism infrastructure.

26. **Expansion of Maldives Industrial Fisheries Company Limited (MIFCO) facilities in Felivaru and Gemanafushi:** 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. Work is ongoing.

27. **Airport Redevelopment Projects in Hanimaadhoo and Gan:** The EXIM Bank of India is supporting the redevelopment of airports in Hanimaadhoo and Gan. The projects are progressing well.

28. **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. The project is progressing well and is monitored regularly by a Joint Project Monitoring Committee (JPMC).

Projects under EXIM Bank's Buyers Credit

29. **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.

30. **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.

Bilateral Economic and Trade Relations

31. India and Maldives signed a trade agreement in 1981, which provides for export of essential commodities. In April 2024, under the same agreement, upon the request of the Government of Maldives, GoI has allowed for export of certain quantities of essential commodities for the year 2024-25, wherein, the quotas for each of these items have been revised upwards. The approved quantities are the highest since this arrangement came into effect in 1981.

32. 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. The trade in 2023 stood at \$ 548 mn. 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.

33. 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. In Aug 2022, 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 Nov'24)	434.80	3.50	434.3

(Source: Maldives Customs Service)

34. 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. 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 May 2024 and September 2024, on the special request of Govt of Maldives seeking budgetary support, SBI Maldives has subscribed for one more year the USD 100 mn Govt T-bills, at zero-cost (interest free) under a unique G-to-G arrangement.

35. Recently India and Maldives signed an agreement to cooperate in the area of digital technology. In August 2024, during visit of EAM to Maldives NIPL (India) and Ministry of Economic Development & Trade signed an agreement to adopt UPI in the Maldives.

36. 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 draws in multiple tranches up to a maximum of USD 200 million from the RBI. In Oct

2024, Govt. of India offered another USD 400 mn currency swap facility and the agreement was signed between the two sides.

37. Finance Minister of Maldives H.E. Moosa Zameer was on a visit to India from 11-12 December 2024 to attend the Global Economic Policy Forum 2024 held in New Delhi. On the sidelines, Minister of Finance and Corporate Affairs of India Smt. Nirmala Sitharaman held a bilateral meeting with Finance Minister H.E. Moosa Zameer. Finance Minister Zameer also held meetings with leaders of CII and CEOs of selected industries.

Tourism

38. 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%.

39. In 2018, India was 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 air connectivity between two countries.

Education & Capacity Building

40. 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. For the year 2024-25, ITEC in-person training slots for Maldives have been increased from 200 to 300.

41. 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, (viii) 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) Maldives 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 Local 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, (xiii) Cooperation in the field of disaster mgt between NDMA, India and NDMA, Maldives, (xiv) Cooperation in the area of Cyber Security between CERT-India and NCIT, Maldives, (xv) Judicial Cooperation between Maldives' Judicial Services Commission (JSC) and Ministry of Law & Justice, India, (xvi) Immigration Cooperation, (xvii) Institute of Chartered Accountants of India (ICAI) and the Institute of Chartered Accountants of the Maldives (CA Maldives), etc.

42. Since Jan 2019, total no. of Maldivians visited India for various in-person training programmes are >3300. Similarly, >1700 virtual training slots have been utilised by Maldivians.

Consular Matters

43. The Indian expatriate community in the Maldives has an approximate strength of 30,000. They have a strong presence in the health and education sectors. Majority of expatriate teachers in the Maldives are Indian nationals, spread across various atolls / islands. Similarly, a large number of doctors, nurses, paramedics and pharmacists 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 the hospitality & tourism sectors, working in various islands / resorts. Further, Indian unskilled workers are mostly engaged in the construction sector. In addition to this, some Indian businesspersons have been running successful enterprises since long. The Indian community in Maldives lives and co-exists peacefully with Maldivians and other expatriates, with no major issues being faced by them.

44. Indian expatriates and local Maldivians often organize social and cultural events in association with the Indian Cultural Centre (ICC) Male'. Mission actively engages with the Indian community through programs/events held in its premises and outside. Mission also regularly conducts consular camps and visits other islands/atoll as an outreach program to engage with and provide services to Indian nationals. Mission occasionally receives isolated complaints from Indian workers (primarily labourers) with grievances regarding pending salary, request for repatriation etc, which are promptly taken up with the concerned authorities.

45. A bilateral agreement on facilitation of visa arrangements between India and Maldives was signed in Dec 2018 and came into effect on March 11, 2019. This 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. An agreement for transfer of prisoners under 'Transfer of Sentenced Persons (ToSP)' has been active since November 12, 2011 and the Mutual Legal Assistance Treaty (MLAT) between the two countries came into effect from September 03, 2019.