

## **India-Maldives Relations**

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.

### **Political Relations**

Bilateral relations have been nurtured and strengthened by regular contacts at all levels. Since establishment of diplomatic relations, almost all Prime Ministers of India visited the Maldives. From the Maldivian side, former President Maumoon Abdul Gayoom and former President Mohamed Nasheed made a number of visits to India during their Presidencies. President Abdulla Yameen visited India with a high level delegation on a State visit from January 1-4, 2014, which was his first official visit abroad. He also attended the swearing-in ceremony of the Prime Minister Shri Narendra Modi in May 2014.

There is a regular exchange of high level ministerial visits also. India's Minister of External Affairs, Smt. Sushma Swaraj visited Maldives in November 2014. From Maldives, Ministerial level visits during 2014 were by Minister of Economic Development Mr. Mohamed Saeed (Jan 2014), Minister of Agriculture and Fisheries Dr. Mohamed Shainee (Feb 2014), Minister of Defence and National Security Col (ret'd) Mohamed Nazim (March 2014 and October 2014), Minister of Islamic Affairs and Mr. Mohamed Shaheem (April 2014).

India and Maldives have consistently supported each other in multilateral fora such as the UN, the Commonwealth, the NAM and the SAARC.

### **Bilateral Assistance**

India is a leading development partner of Maldives and has established many of the leading institutions of Maldives including the Indira Gandhi Memorial Hospital (IGMH), Faculty of Engineering Technology (FET) and Faculty of Hospitality & Tourism Studies (IMFFHTS).

India has offered assistance to Maldives wherever required. After the tsunami that struck Maldives on December 26, 2004, India was the first country to rush relief and aid to Maldives. India provided a budget support aid of Rs.10 crores in view of the serious financial difficulties being faced by Maldives on account of the tsunami and related factors. Assistance of US Dollars equivalent of Rs.100 million in July 2007 towards assistance was given following tidal surges in May 2007.

Currently, India has provided US \$ 100 million Stand-by Credit facility (SCF) to Maldives, including long-term loans and revolving credit for trade. Under new Line of Credit worth US\$40 million offered by the Government of India to Maldives, the Overseas Infrastructure Alliance (OIA) of India has been given a contract to construct 485 housing units in Maldives.

## Capacity Building and Training

Capacity building and skills development is one of the key components of India's assistance to Maldives. India offers several scholarships to Maldivian students under the following schemes:

- ICCR scholarships
- SAARC Chair Fellowship
- ITEC training & scholarships
- Technical Cooperation Scheme of Colombo Plan
- Medical scholarships

Several Maldivian diplomats have received training in India under the Indian Foreign Service Institute's Professional Course for Foreign Diplomats (PCFD) program.

The Government of India financed a US\$5.30 million project for Technology Adoption Programme in Education Sector in Maldives. The project, executed by NIIT and EEEEC (India), trained around 5000 Maldivian teachers and youth across islands in Computer skills over a 27 month period (2011-2013).

## Economic and Commercial Relations

India and Maldives signed a trade agreement in 1981, which provides for export of essential commodities. Growing from modest beginnings, India-Maldives bilateral trade now stands at Rs.700 crores. Indian exports to the Maldives include agriculture and poultry produce, sugar, fruits, vegetables, spices, rice, wheat flour (Atta), textiles, drugs and medicines, a variety of engineering and industrial products, sand and aggregate, cement for building etc. Indian imports primarily scrap metals from the Maldives. Under the bilateral agreement, India provides essential food items like rice, wheat flour, sugar, dal, onion, potato and eggs and construction material such as sand and stone aggregates to Maldives on favourable terms.

### Bilateral trade figures (in Rupees Crores)

Year	Total Exports to Maldives	Total Imports from Maldives	Total Trade
2011-12	597.78	92.04	689.82
2012-13	666.21	34.22	700.43
2013-14	653.24	23.91	677.15

## Indian Business in Maldives

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. Taj Group of India runs two resorts in Maldives, namely Taj Exotica Resort & Spa and Vivanta Coral Reef Resort.

Other commercial projects that are currently being undertaken by Indian companies in Maldives are as follows:

- Construction of 1000 low-cost housing units in Malé by TATA Housing Development Co. Ltd (February 2010)
- Construction of a resort by Residency Group in Dhaalu atoll

### **People-to-People Contacts**

Air India operates daily flights to Malé from Thiruvananthapuram, Bangalore and Chennai; Spice Jet of India runs daily flights between Male and Cochin. Island Aviation Service (Maldivian Aero) is operating daily flights to Thiruvananthapuram and Chennai (thrice a week).

The proximity of location and improvements in air connectivity in recent years has led to a very substantial increase in the number of Indians visiting Maldives for tourism (around 33,000) and business. India is a preferred destination for Maldivian for education, medical treatment, recreation and business. The number of Maldivians seeking long term visa for pursuing higher studies/medical treatment in India has shown a sharp increase over the last two years.

### **Cultural Relations**

Both the countries share long cultural links and continuous efforts are underway to further strengthen these linkages. Three historical mosques (Friday Mosque and Dharumavantha Rasgefaanu Mosque - Male', Fenfushi Mosque - South Ari Atoll) were successfully restored by Indian experts from NRLCCP, Lucknow. Exchange of cultural troupes takes place regularly between the countries. Hindi commercial films, TV serials and music are immensely popular in Maldives.

The **India Cultural Center (ICC)**, established in Male in July 2011, conducts regular courses in yoga, classical music and dance. ICC programmes have become immensely popular among Maldivians of all ages.

### **Indian Community**

Indians are the second largest expatriate community in the Maldives with approximate strength of around 26,000. Indian expatriate community consists of workers as well as professionals like doctors, teachers, accountants, managers, engineers, nurses and technicians etc. spread over several islands. Of the country's approximately 400 doctors, over 125 are Indians. Similarly around 25% of teachers in Maldives are Indians, mostly at middle and senior levels.

### **Useful Resources**

High Commission of India, Male website: [www.hci.gov.in/male](http://www.hci.gov.in/male)

High Commission of India, Male Facebook page:

[www.facebook.com/hcimale](https://www.facebook.com/hcimale)

High Commission of India, Male YouTube channel:

[www.youtube.com.user/hcimaldives](https://www.youtube.com/user/hcimaldives)

\*\*\*\*

**December 2014**