



India and Maldives

Prelims: SAGAR, Neighborhood First, Community Development Project (HICDP) scheme, India's neighborhood policy, String of Pearls.

Mains: India- Maldives Relations and Way Forward.

Why in News?

Recently, India and Maldives have signed **pacts on development projects in Maldives**.

- Both the Maldives and Sri Lanka are **India's key maritime neighbours in the Indian Ocean Region** and occupy a special place in the Prime Minister's vision of '[**SAGAR' \(Security and Growth for All in the Region\)**](#) and '[**Neighbourhood First**](#)'.

What is the Pact?

- **Grant Assistance:**

- It includes grant assistance of **100 million Rufiyaa (currency of Maldives)** for the High Impact **Community Development Project (HICDP) scheme**.
- A number of socio-economic development projects are planned to be implemented throughout the country under this funding.

- **Sports Complex and Academic Collaboration:**

- It also included the development of a sports complex in Gahdhoo, and academic collaboration between Maldives National University and Cochin University of Science and Technology.

How has India's Relations with Maldives been?

- **Security Partnership:**

- Defence cooperation extends to the areas of Joint Exercises - "[Ekuverin](#)", "Dosti", "Ekatha" and "Operation Shield" (begun in 2021).
- India provides the largest number of **training opportunities for Maldivian National Defence Force (MNDF)**, meeting around 70% of their defence training requirements.

- **Rehabilitation Centre:**

- Signing of an USD 80-million contract for the **Addu reclamation and shore protection project**.
- A drug detoxification and rehabilitation centre in Addu built with Indian assistance.
 - The centre is one of 20 high impact community development projects being implemented by India in areas such as [healthcare](#), [education](#), [fisheries](#), [tourism](#), [sports](#) and [culture](#).

- **Economic Cooperation:**

- Tourism is the mainstay of Maldivian economy. The country is now a major tourist destination for some Indians and a job destination for others.
- In August 2021, **Afcons, an Indian company, signed a contract for the largest-ever infrastructure project** in Maldives which is the **Greater Male Connectivity Project (GMCP)**.
- India is **Maldives 2nd largest trading partner** – rising up from its 4th position in 2018. In 2021, bilateral trade registered a growth of 31% over the previous year – overcoming the pandemic-related challenges.
- A Bilateral USD Currency Swap Agreement between RBI and Maldives Monetary Authority was signed on 22 July 2019.

- **Infrastructure Projects:**

- Hanimaadhoo International Airport Development project under an **Indian credit line will add a brand-new terminal to cater to 1.3 million passengers a year**.
- In 2022, the National College for Policing and Law Enforcement (NCPLE) was inaugurated by India's External Affairs Minister.
- NCPLE is the largest grant **project executed by India in Maldives**.

What are the Challenges in India Maldives Relations?

- **Political Instability:**

- India's major concern has been the impact of political instability in the neighbourhood on its security and development.
- The February 2015 arrest of Maldives' opposition leader Mohamed Nasheed on terrorism charges and the consequent political crisis have posed a real diplomatic test for [India's neighbourhood policy](#).

- **Radicalisation:**

- In the past decade or so, the number of Maldivians drawn towards terrorist **groups like the Islamic State (IS) and Pakistan-based jihadist groups** has been increasing.
 - This gives rise to the possibility of Pakistan based terror groups using remote Maldivian islands as a launch pad for terror attacks against India and Indian interests.

- **China Angle:**

- China's strategic footprint in India's neighbourhood has increased. The Maldives has emerged as an important '**pearl**' in China's "[String of Pearls](#)" construct in South Asia.

- Given the uncertain dynamics of Sino-Indian relations, China's strategic presence in the Maldives remains a concern.

Way Forward

- India must **play a key role within Indo-Pacific security space** to ensure regional security in South Asia and surrounding maritime boundaries.
 - The Indo-Pacific security space has been developed as a response to the growth of extra-regional powers (particularly China's) in India's maritime sphere of influence.
- At present, the '**India Out' campaign has support from a limited population**' but this cannot be taken for granted by the Indian government.
 - If the **issues raised by the supporters of the 'India Out' are not handled carefully and India does not effectively convince the Maldivians** about its intentions behind the projects on the island nation, the campaign may change the domestic political situation in the Maldives and may set ripples in India's currently favourable relationship with the country.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. What do you understand by 'The String of Pearls'? How does it impact India? Briefly outline the steps taken by India to counter this. **(2013)**

Q. Discuss the political developments in the Maldives in the last two years. Should they be of any cause for concern to India? **(2013)**

Source: IE

PDF Reference URL: <https://www.drishtiias.com/printpdf/india-and-maldives>