



## Greater Male Connectivity Project: Maldives

### Why in News

Recently, Afcons, an Indian company, has signed a contract for the **largest-ever infrastructure project in Maldives** which is **the Greater Male Connectivity Project (GMCP)**.

- The project is the **result of bilateral consultation between India and the Maldives** and has been under discussion since the visit of India's External Affairs Minister to Male in September 2019.



### Key Points

- **Greater Male Connectivity Project:**
  - It will consist of a **6.74 km-long bridge** and causeway link **between Male and nearby islands of Villingli, Gulhifalhu and Thilafushi**. It will use **renewable energy**.
    - The project is funded by a **grant of USD 100 million and a [Line of Credit \(LOC\)](#) of USD 400 million from India**.
  - It is **not only the biggest project India** is doing in the Maldives but **also the biggest infrastructure project in the Maldives overall**.
- **Significance:**
  - It is considered as the **economic lifeline for the Maldives** and will provide a **major boost to connectivity between the four islands** accounting for about half of the Maldivian population.
  - It will **add dynamism to the Maldivian transport and economic activities**.
- **India-Maldives-China:**
  - The GMCP project would be **bigger than the Sinamale Bridge built with Chinese**

**assistance** that connects Male with Hulhumale and Hulhule and was completed in 2018.

- Also the **Indian aid to Maldives in August 2020** was **appreciated and contrasted with the previous expensive commercial loans to Maldives by China** which are being termed **“debt-trap diplomacy” of China**.
  - Wherein **China intentionally extends excessive credit** to another country with the **intention of extracting economic or political concessions** from the debtor country.
- The India-Maldives relationship suffered a setback when Maldives entered into a **Free-Trade Agreement (FTA)** with China in 2017.
  - However with the **election of a new pro-India government in Maldives**, the relationships have improved and Maldives is also considering pulling out of the FTA with China.
- At present, **India-assisted projects** in the region include **water and sewerage projects on 34 islands**, reclamation projects for the Addl island, a port on Gulhifalhu, airport redevelopment at Hanimaadhoo, and a hospital and a cricket stadium in Hulhumale.
  - India had also announced a **800 million USD Line of Credit to Maldives in December 2018**.

#### ▪ **Recent Developments:**

- **Security Cooperation:** Earlier in August 2021, in the Deputy National Security Adviser-level meeting hosted by Sri Lanka, India, Sri Lanka and the Maldives had agreed to work on **“four pillars” of security cooperation**.
- **UNGA President:** In June 2021, **India welcomed the election of Maldives’ Foreign Minister** as the President of the 76<sup>th</sup> session of the **United Nations (UN) General Assembly (GA)** for 2021-22.
- **Mou’s:** In November 2020, India and the Maldives signed **four Memorandums of Understanding (MoUs)** related to High Impact Community Development Projects and on Cooperation in Sports and Youth Affairs.
- **Relief Package:** In August 2020, India had committed to Maldives a **five-pronged package** including air, sea, intra-island and telecommunications to **help it deal with the economic impact of the Covid-19 pandemic**.
- **Bilateral Bubble:** Maldives is the first South Asian country with which India started a bilateral **air bubble** during **Covid-19 pandemic**.
- **Bilateral Visits:** Since September 2018, India and Maldives have seen a number of bilateral visits.
  - **India’s Prime Minister visited Maldives** to attend the swearing-in ceremony of President Solih.
  - **Maldives President also visited India** in December 2018.
  - The **Home Minister of Maldives met the Indian Home Minister** in February, 2020.
- Maldives and India are members of the **South Asian Association for Regional Cooperation (SAARC)** and the **South Asia Subregional Economic Cooperation (SASEC)**.

#### **Way Forward**

- This isn’t only about an ambitious project involving both India and the Maldives. The terms of the agreement call for the **completion of the bridge by 2023**.
- For India, **Maldives holds strategic importance** and showing that **it can deliver would help mitigate some concerns that may exist in the Maldives**.
- In accordance with the **Neighbourhood First Policy** of the government, India remains a committed development partner for a stable, prosperous and peaceful Maldives.
- Given the economic hardships being faced by Maldives due to Covid-19 pandemic and previous debts, **this project and previous packages will definitely warm up the relationship between both the countries**.

- This will also **provide a strategic edge to India over China with regards to Maldives.**

**Source: IE**

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