

## Centuries of Shared History Form Bedrock of India-Maldives Ties, Says PM Modi



Prime Minister Narendra Modi, visiting the Maldives on Friday, July 25, 2025, emphasized the enduring strength of India-Maldives relations, stating that the bond is rooted in "centuries-old relations" and is a cornerstone of India's "Neighbourhood First" policy. Addressing a joint press conference with Maldivian President Mohamed Muizzu, PM Modi reiterated India's commitment to the island nation's development and security, highlighting the deep historical and cultural linkages between the two countries.

The Prime Minister's visit, where he was the guest of honor for the Maldives' 60th Independence Day celebrations, underscored a renewed positive trajectory in bilateral ties. This strategic visit followed a period of diplomatic recalibration, and PM Modi's remarks served to reaffirm India's consistent approach to its closest maritime neighbor. India is Maldives' closest neighbor. Maldives holds an important place in both India's Neighbourhood First policy and ocean vision, PM Modi stated, underscoring the strategic importance of the archipelago in the Indian Ocean Region.

The "Neighbourhood First" policy, a key tenet of India's foreign policy, prioritizes strengthening ties with immediate neighbors through enhanced connectivity, economic cooperation, and development assistance. In this spirit, several key agreements were exchanged during the visit. A significant development was the signing of a pact to extend a new Line of Credit worth ₹4,850 crore (approximately \$565 million) to the Maldives. This financial support is earmarked for infrastructure development and various other projects in line with the priorities of the Maldivian people. Furthermore, an amendatory agreement to an existing Line of Credit was signed, which

will reduce the Maldives' annual debt repayment obligations by a substantial 40%, from around \$51 million to \$29 million.

Beyond financial assistance, the leaders witnessed the inauguration of several India-assisted development projects, including 4,000 social housing units in Hulhumale and road development projects in Addu City, along with six High Impact Community Development Projects. The two nations also launched formal talks for a Free Trade Agreement (FTA) and exchanged Memoranda of Understanding (MoUs) in sectors such as fisheries, health, tourism, meteorology, and digital development, including the adoption of India's Unified Payments Interface (UPI) for seamless digital transactions.

Defence and security cooperation also featured prominently. PM Modi and President Muizzu jointly inaugurated the new state-of-the-art Ministry of Defence building in Malé, constructed with Indian financial assistance. PM Modi affirmed that "India will continuously cooperate in developing the defence capabilities of the Maldives. Peace, stability, and prosperity in the Indian Ocean are our shared goals." The renewed focus on these multifaceted collaborations reaffirms India's role as a trusted partner and first responder for the Maldives, ensuring stability and shared prosperity in the vital Indian Ocean region.