

'India hasn't proposed FTA with Maldives but is open to it'

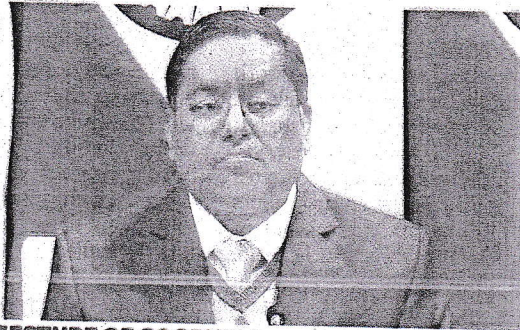
WHERE IT STANDS. MEA clarifies after Maldivian Minister spoke of India's 'efforts'

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New Delhi

India has not made any proposal for entering into a Free Trade Agreement (FTA) with the Maldives but will "surely" look at the possibility of the island nation considering such a pact, said Ministry of External Affairs (MEA) on Thursday.

"We have seen some reports about the Maldivian Minister (Economic) speaking about we (India) offering an FTA. We haven't done so. But if Maldives wants to come up with (a proposal) ...if they are considering an FTA with us we will surely look into it," said MEA Spokesperson Randhir Jaiswal, replying to a question.

Last week, Mohamed Saeed, Maldivian Minister of Economic Development and Trade, quoted in media reports saying that India had initiated efforts to create an



TRUE GESTURE OF GOODWILL. MEA Spokesperson Randhir Jaiswal. India decided this month to extend budgetary support to the Maldives government another year on the Maldivian government's special request ANI

FTA with the Maldives. Saeed further said that the government wanted to enter into such agreements with as many countries as possible to improve its trade prospects.

INDIA-SAARC FTA

India had signed an FTA with all SAARC members in 2004, which also included the Maldives, but it does not have a

separate pact with the country.

The interest indicated by both countries to negotiate an FTA is significant given the fact that diplomatic ties between the two came under severe stress following Maldives President Mohamed Muizzu's insistence on the withdrawal of Indian military personnel from the archipelago soon after he took

charge in November last year. Muizzu is widely perceived as a pro-China leader who may want to reduce India's traditional influence in Maldives.

Despite shaky relations, India decided earlier this month to extend budgetary support to the Maldives government with the rollover of a \$50 million government Treasury Bill for another year on the Maldivian government's special request. The move was appreciated by Maldives Foreign Minister Moosa Zameer who called it a "true gesture of goodwill".

India and Maldives signed a trade agreement in 1981, which provides for the export of essential commodities. Growing from modest beginnings, India-Maldives bilateral trade in 2023-24 touched almost \$ 1 billion with India's exports at \$892 million and imports at \$86.84 million.