

Maldives signs trade pact with China

Abdulla Yameen

The Maldives on Friday signed a crucial free trade deal with China, while endorsing its Maritime Silk Road project shunned by India for its strategic implications in the Indian Ocean.

“China deems the Maldives as an important partner to building the 21st Century Maritime Silk Road (MSR),” President Xi Jinping told his visiting Maldivian counterpart Abdulla Yameen as they witnessed signing of 12 agreements, including the free trade agreement (FTA).

The China-backed multi-billion-dollar Belt and Road Initiative (BRI) — of which the MSR is a part — is similar to Maldives’ strategy of achieving economic progress by making use of its geographic advantages, Mr. Xi told Mr. Yameen while expressing appreciation for the Maldives’ proactive participation in the BRI, official media here reported.

President Yameen said the Maldives viewed China as “among our closest friends, most trusted and most dependable partners”.

“The Belt and Road Initiative has greatly helped the development of many small and medium countries,” state-run Xinhua news agency quoted him as saying.

After acquiring Sri Lanka’s Hambantota port on a 99-year lease in a \$1.1 billion debt swap deal, China has now roped in the Indian Ocean archipelago nation, located strategically in India’s backyard, to implement the MSR.

China has also set up a ‘logistics base’ for its navy in Djibouti, also located in the Indian Ocean region in the Horn of Africa.

Besides the FTA, the agreements signed were on economy, human resources, oceans, environment, health care, and finance, state-run Xinhua news agency reported.

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