

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



Ministry of Economic Development and Trade
Male', Republic of Maldives

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Press Release

Agreement Signed to Establish Currency Settlement Framework Between Maldives and India

The Ministry of Economic Development and Trade welcomes the Memorandum of Understanding (MoU) signed between the Maldives Monetary Authority (MMA) and the Reserve Bank of India (RBI) on November 21, 2024, regarding the use of local currencies for financial transactions between Maldives and India. This bilateral agreement establishes a framework that facilitates current account transactions and direct investments in local currencies, strengthening trade and investment relations between the two countries.

The signing follows President Dr. Mohamed Muizzu's official visit to India in October 2024, during which he held discussions with Prime Minister Narendra Modi focused on strengthening bilateral trade relations and expanding economic collaboration between Maldives and India. The swift conclusion of this arrangement following the presidential visit demonstrates the close relationship between the two nations.

The currency settlement framework will facilitate transactions in both countries' currencies, making it easier for Maldivian businesses to import from India and promoting increased cross-border investments. Additionally, it will provide significant conveniences for Indian tourists visiting the Maldives and Maldivian citizens residing in India in conducting business transactions and making payments for goods and services.

This initiative represents a significant step within President Dr. Muizzu's visionary policy of expanding the Maldivian economy and strengthening trade relations with key international partners.

The annual trade volume between India and Maldives amounts to approximately USD 500 million. The agreement marks an important milestone in further strengthening economic ties and boosting trade and investment flows between the two countries.

24th November 2024

