



# Doing Business in Maldives: 2008 Country Commercial Guide for U.S. Companies

INTERNATIONAL COPYRIGHT, U.S. & FOREIGN COMMERCIAL SERVICE AND U.S. DEPARTMENT OF STATE, 2008. ALL RIGHTS RESERVED OUTSIDE OF THE UNITED STATES.

## [Table of contents](#)

- [Chapter 1: Doing Business In Maldives](#)
- [Chapter 2: Political and Economic Environment](#)
- [Chapter 3: Selling U.S. Products and Services](#)
- [Chapter 4: Leading Sectors for U.S. Export and Investment](#)
- [Chapter 5: Trade Regulations and Standards](#)
- [Chapter 6: Investment Climate](#)
- [Chapter 7: Trade and Project Financing](#)
- [Chapter 8: Business Travel](#)
- [Chapter 9: Contacts, Market Research and Trade Events](#)
- [Chapter 10: Guide to Our Services](#)

[Return to table of contents](#)

## Chapter 1: Doing Business In Maldives

- [Market Overview](#)
- [Market Challenges](#)
- [Market Opportunities](#)
- [Market Entry Strategy](#)

### Market Overview

[Return to top](#)

- Maldives is made up of over 1,190 small, low lying coral islands of which 198 islands are inhabited and another 90 are exclusive resort islands.
- The local population is about 300,000; more than 675,000 tourists arrive annually. There are more than 67,000 expatriate workers. Population distribution varies significantly from less than 150 on remote islands to 100,000 in Male', the capital city, whose total area is just 2 sq. kilometers.
- Maldives thrives on tourism and fishing. Other key sectors, such as construction, distribution, telecommunication, shipping, aviation, and banking, support these two primary sectors.
- GDP growth has averaged 7.5 percent during the past decade, and has helped lift Maldives to lower middle income country status. Per capita GDP, estimated around \$3,300, is the highest in South Asia. There is, however, significant income disparity as many Maldivians on distant islands do not benefit from the revenue produced by the tourism industry and have little opportunity to work or otherwise generate an income..
- Maldives suffered extensive damage in the December 26, 2004 tsunami, but the economy recovered quickly due to an upsurge in tourism.
- Total annual imports are around \$950 million. Maldives imports most of its requirements ranging from staple food to hotel supplies.
- Trade with Maldives is centered in Male', although many tourist resorts directly procure services, supplies, and equipment from overseas suppliers.
- Maldives has been a recipient of generous donor assistance for many years. Nonetheless, it faces a significant shortfall in its tsunami reconstruction funding.

### Market Challenges

[Return to top](#)

- Due to its small population and economy, Maldives will remain a small market.
- Although trade and investment have been liberalized, the Maldivian business community is small and close-knit, so new market entrants may find it difficult to make contacts. .
- Maldives lacks specific legislation to protect intellectual property rights (IPR) and has not signed on to international agreements and conventions related to IPR.

### Market Opportunities

[Return to top](#)

- Opportunities for U.S. exports are found primarily in the tourism sector. New marketing opportunities should abound over the next four years as over 40 new luxury resort islands are being developed and several existing hotels are being

renovated. All supplies to the tourism sector -- from building material and kitchen equipment to speedboats and floatplanes -- are imported.

- The demand for high-quality consumer goods, including food and electronic equipment, has increased as a result of rising GDP and the opening of new luxury resorts.
- There is a growing market for small-scale renewable power generation equipment, as residential and resort islands look for cheaper cleaner alternatives to diesel-generated power.
- There is also growing demand for water purification and waste water management equipment.
- The government has ambitious plans for infrastructure development: commercial ports, a link bridge; harbor dredging; land reclamation and residential island development; and domestic airports.
- Government procurement has become more transparent through the introduction of open competitive tendering and transparency procedures.
- The fisheries sector is also expanding with the entry of private operators.
- Post-tsunami reconstruction is a priority for the government. Multilateral Development Banks and bilateral donors are supporting the rebuilding efforts.

The government is attempting to further develop the fisheries, tourism and business sectors, provide vocational training, and facilitate income earning activities for the people in the atolls.

In short, Maldives has a small, distant, but growing market that is receptive, both politically and statutorily, to foreign investment, goods, and services.

## **Market Entry Strategy**

[Return to top](#)

- Identify a suitable partner with wide government and private sector contacts. Under Maldivian regulations, foreign companies may choose to either set up a wholly foreign-owned company or have a joint venture with a Maldivian national or companies registered in the Maldives in order to do business in Maldives.
- A follow up visit to evaluate the potential of any prospective partner is recommended. A careful appraisal of the company's existing business, relationships with other foreign suppliers and commitment to developing market share needs to be determined prior to appointing distributorships.
- Agents are widely used in Maldives, as it is too small a market for presence of large international companies. These agents are commonly managed out of Singapore, India, and Sri Lanka. Some Sri Lankan agents are accredited to Maldives and handle operations in the market as well.
- Contact with clients and agents can often best be established and maintained by mobile phone and text messaging, as opposed to via email.
- The U.S. Embassy in Colombo, which is also accredited to Maldives, hosts an American Pavilion at an annual trade fair in Maldives. U.S. companies wishing to explore the market may send in catalogues or set up a booth at this exhibition.

[Return to table of contents](#)

## **Chapter 2: Political and Economic Environment**

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/5476.htm>

[Return to table of contents](#)

[Return to table of contents](#)

### Chapter 3: Selling U.S. Products and Services

- [Using an Agent or Distributor](#)
- [Establishing an Office](#)
- [Franchising](#)
- [Direct Marketing](#)
- [Joint Ventures/Licensing](#)
- [Selling to the Government](#)
- [Distribution and Sales Channels](#)
- [Selling Factors/Techniques](#)
- [Electronic Commerce](#)
- [Trade Promotion and Advertising](#)
- [Pricing](#)
- [Sales Service/Customer Support](#)
- [Protecting Your Intellectual Property](#)
- [Due Diligence](#)
- [Local Professional Services](#)
- [Web Resources](#)

#### Using an Agent or Distributor

[Return to top](#)

Trade with Maldives is centered in Male', although many tourist resorts directly procure services, supplies, and equipment from overseas suppliers. Agents are widely used in Maldives as its market is too small for the presence of international companies. These agents are commonly managed out of Singapore, India, and Sri Lanka; some Sri Lankan agents are accredited to Maldives as well. Under Maldivian regulations, foreign companies can invest in as a wholly foreign-owned company or partner with a Maldivian national in order to do business in Maldives. Prior to the appointment of distributorships, an appraisal of the company's existing business, its relationships with other foreign suppliers, and its commitment to developing market share is recommended. There are a number of traders who also import goods for resale to the tourism sector.

#### Establishing an Office

[Return to top](#)

The government introduced a Companies Act to govern the formation, registration, and management of companies in Maldives, effective from July 1, 1997. Companies are required to submit a registration, annual fee (depending on the amount of authorized capital of the company), and a memorandum and articles of association to the registrar of companies at the Ministry of Economic Development and Trade. Under the Act, companies registered abroad that want to operate in Maldives will have to register as a foreign company.

Foreign companies must obtain necessary permits under the laws and regulations of the Republic of Maldives and submit the following information to the registrar:

- 1) Copy of the permit issued to the company by the Ministry of Tourism and Foreign Investment Services Board to conduct business in the Republic of Maldives;
- 2) Copy of the memorandum and articles of association;
- 3) Names and addresses of the Board of Directors;
- 4) Names and addresses of a person or persons who shall represent the company in the event of any legal proceedings against the company;
- 5) Registered address of the company; and
- 6) Address of the place of business in Maldives.

Questions about the registration of companies should be addressed to the Ministry of Economic Development and Trade or the Foreign Investment Services Bureau

Please see <http://www.trademin.gov.mv/company/companyact.asp> for more information on the Companies Act.

## **Franchising**

[Return to top](#)

There are no major franchising operations in Maldives. The market does not merit establishing franchise operations due to the small size and geographical fragmentation of the market.

## **Direct Marketing**

[Return to top](#)

It is possible to sell directly to traders and resorts in Maldives, although quantities demanded are often relatively small.

Many resort operators are aware of U.S. products and brands through catalogs, the Internet, and other sources. Some order directly from U.S. mail-order catalogs and websites. Others purchase U.S. products from agents and traders in Singapore, Sri Lanka, India, or the Middle East.

The U.S. Embassy in Colombo, Sri Lanka, which is accredited to Maldives, stages an American Pavilion at an annual trade fair in Maldives, providing an opportunity to U.S. companies to display catalogs and products. Further information of the trade fair can be obtained by contacting the Commercial Section of the Embassy.  
E-mail: [commercialcolombo@state.gov](mailto:commercialcolombo@state.gov)

## **Selling to the Government**

[Return to top](#)

Government purchases are frequently made by public tenders. Tenders are generally not widely disseminated and are sometimes written in the local language. It is possible to check for tender announcements at the following websites:

<http://www.maldives.com/government.html#>

[http://planning.gov.mv/en/component/option,com\\_weblinks/catid,22/Itemid,23/](http://planning.gov.mv/en/component/option,com_weblinks/catid,22/Itemid,23/)

<http://www.planning.gov.mv/en/>

Tender procedures are often not fully transparent, and the basis for tender decisions is not always readily accessible or clearly explained, though the recent introduction of competitive tendering has improved matters. Preference might be given to bids from South Asian Association for Regional Cooperation (SAARC) member countries (India, Sri Lanka, Pakistan, Bangladesh, Nepal, Bhutan and Maldives), although this is not always stipulated in tender announcements. Partnering with local or SAARC firms helps in winning tenders.

### **Distribution and Sales Channels**

[Return to top](#)

Retail outlets handling a range of international consumer brands are common in Maldives. Tourism, however, being the largest sector with the greatest potential for high end products, requires direct marketing with a presence in Maldives to effectively service this sector. Most international companies work through local agents to obtain access for their brands in this sector.

### **Selling Factors/Techniques**

[Return to top](#)

U.S. products are considered to be of high quality, but less price-competitive. U.S. marketers should stress the benefits of greater durability and less frequent servicing of their high quality products.

### **Trade Promotion and Advertising**

[Return to top](#)

Maldives has several media channels for trade promotion and advertising. English and Dhivehi print media are widely circulated in Maldives. Maldives National Television has a wide audience with private cable networks and is broadcasted in the resorts and the capital Male' island. Billboard advertising is widely practiced in Male'. Promotional offers and trade discounts are popular marketing tools in the retail trade.

### **Pricing**

[Return to top](#)

The Maldivian Rufiyaa is pegged at a rate of 12.8 to the U.S. dollar, so dollar depreciation does not change the Rufiyaa price of U.S. goods. Maldives is generally a price sensitive market. Resorts catering to high-end tourism and upper-income earners in Male', however, demand superior quality products. Certain products, such as boat engines, which require dependable and sustained performance, are also dominated by reputable international brands.

### **Sales Service/Customer Support**

[Return to top](#)

Working with a local agent may be helpful especially if stocking parts and providing after-sales service is important.

### **Protecting Your Intellectual Property**

[Return to top](#)

Maldives lacks specific legislation to protect Intellectual Property Rights (IPR) and has not signed on to international agreements and conventions. Maldives benefits from a World Trade Organization (WTO) decision to extend the transition period for least-

developed countries to provide protection for intellectual property under the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement until 1 July 2013. The Government is seeking assistance from the World Intellectual Property Organization (WIPO) to develop IPR laws and regulations. Consumers of computer software reportedly appreciate the value of genuine products, as pirated software programs often contain bugs and viruses.

## Due Diligence

[Return to top](#)

Due diligence is an important aspect of the market entry strategy. While there are reputable, established local agents handling a range of international brands, there could be instances where ethical standards are compromised. A careful study of the potential of the market as well as the suitability of the prospective agent should be carried out prior to market entry.

## Local Professional Services

[Return to top](#)

International firms provide accounting and auditing services. KPMG, Ernst and Young, and Price Waterhouse Coopers operate branch offices in Male'.

Though legal practices are adequate with a number of overseas-trained lawyers, the judicial process is slow. The law on foreign investments guarantees the security of investments. Disputes involving investments below \$1 million can be referred to the courts of law in Maldives. Disputes over \$1 million can be referred for international arbitration.

## Web Resources

[Return to top](#)

Ministry of Economic Development and Trade: <http://www.trademin.gov.mv/>  
Foreign Investment Services Bureau: <http://investmaldives.org/>  
Attorney General's Office: [www.agoffice.gov.mv/IndexEng.aspURL=PublicationEng.asp](http://www.agoffice.gov.mv/IndexEng.aspURL=PublicationEng.asp)  
Shah Hussain and Company, Barristers and Attorneys: [www.shclawyers.com/](http://www.shclawyers.com/)  
Artline, Advertising firm: [www.artlinedesign.com](http://www.artlinedesign.com)  
Companies Law: <http://www.trademin.gov.mv/company/companyact.asp>  
KPMG Sri Lanka: [www.lk.kpmg.com/index.html](http://www.lk.kpmg.com/index.html)  
Ernst & Young Sri Lanka: [www.ey.com](http://www.ey.com)  
Maldives Official Website: [www.maldivesinfo.gov.mv](http://www.maldivesinfo.gov.mv)

### Online News:

Haveeru [www.haveeru.com.mv](http://www.haveeru.com.mv)  
Aafathis [www.aafathisnews.com.mv](http://www.aafathisnews.com.mv)  
Miadhu [www.miadhu.com](http://www.miadhu.com)  
Evening Weekly [www.eveningweekly.com.mv](http://www.eveningweekly.com.mv)  
Voice of Maldives [www.vom.gov.mv](http://www.vom.gov.mv)

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 4: Leading Sectors for U.S. Export and Investment

- [Agricultural Sector](#)

### Commercial Sectors

- [Hotel Supplies and Equipment](#)
- [Solid waste and sewerage treatment equipment](#)
- [Power Generators and Water Treatment Facilities](#)
- [Water Sports and Transport Equipment](#)
- [Building Materials and Construction Equipment](#)
- [Education Services](#)
- [Fisheries Equipment](#)
- [Infrastructure Projects](#)

[Return to table of contents](#)

## HOTEL SUPPLIES AND EQUIPMENT

### Overview

[Return to top](#)

Opportunities for U.S. exports are found primarily in the tourism sector. Maldives has 90 exclusive resort islands, with approximately 18,000 beds. Foreign hotel chains are in operation, including Hilton and Four Seasons. Opportunities exist in the entire range of services, including development and management of resorts, tourist activities, and land and sea transportation. New investment and trade opportunities should abound over the next four years, as around 40 new resort islands are developed. The development of new resorts, which are required to be self-sufficient (in terms of power, water supply, waste management, etc.), and the maintenance of the 90 existing resorts present many business opportunities.

The hotel sector requires a range of products and services which need to be imported. Products ranging from fittings, energy, waste treatment, food & beverage, interior design, consumables and IT services are needed. Additionally, high range spas and fitness centers are in demand for resorts.

There is a niche for superior quality products and technology in the capital Male' and a few other islands. The construction sector is a fast growing segment. Fruits, packaged food, cheese, beverages and snack food are areas that have opportunities for U.S. products. U.S. suppliers should be prepared to emphasize the high quality and durability of their products as they may be less competitive due to higher shipping costs. Many resort managers buy U.S.-made hotel supply products from Singapore-based agents, wholesalers, or traders, or directly by catalog/mail order from the U.S.

## Resources

[Return to top](#)

Maldives Association of Tourism Industry:

[www.maldivestourism.org.mv](http://www.maldivestourism.org.mv)

Phone: (960) 3326640, 3321701 Fax: (960) 3326641

Foreign Investment Services Bureau:

<http://investmaldives.org/>

Phone: (960) - 3323890 Fax: (960) 3323756

E-mail: [info@investmaldive.org](mailto:info@investmaldive.org)

Maldives National Chamber of Commerce and Industry

Phone: (960) 3326634, 3310234, 3310717. Fax: (960) 321889, 310233

E-mail: [mncci@dhivehinet.net.mv](mailto:mncci@dhivehinet.net.mv)

Internet: [www.mncci.com.mv](http://www.mncci.com.mv)

Ministry of Tourism and Civil Aviation:

[www.maldivestourism.gov.mv](http://www.maldivestourism.gov.mv) and [www.visitmaldives.com](http://www.visitmaldives.com)

Hotel Asia Exhibition and Culinary Challenge 2008: [www.saexhibitions.com](http://www.saexhibitions.com)

## SOLID WASTE AND SEWAGE TREATMENT EQUIPMENT

### Overview

[Return to top](#)

Solid waste, water and sewage treatment equipment: Maldives is interested in new and used low-cost, low-tech, and environmentally-friendly solutions. The country needs practical technology suited for solid waste disposal and waste water treatment in a small island state.

### Resources

[Return to top](#)

Maldives Association of Tourism Industry: [www.maldivestourism.org.mv](http://www.maldivestourism.org.mv)

Phone: (960) 3326640, 3321701 Fax: (960) 3326641

## POWER GENERATORS AND WATER TREATMENT FACILITIES

### Overview

[Return to top](#)

Power generation demand is growing rapidly in Maldives. While the energy requirements of the capital are currently being met, inadequate electricity supply has constrained economic and social development in the outer islands, where the majority of the country's poor reside. Renewable energy technologies are being pursued with

donors also recognizing the need for developing environmentally sustainable energy resources in the county. Each resort is required to develop its own power, potable water supply, and waste treatment systems, with a focus on environmentally-friendly, waste-minimizing technologies. The Government of Maldives has expressed interest in using wind, solar, wave, ocean thermal, and other clean energy technologies.

There is also a demand for energy saving equipment such as solar water heating systems and heat recovery systems.

An assessment of wind and solar energy has been carried out for Sri Lanka and Maldives by the U.S. Agency for International Development. This information is available on [www.nrel.gov](http://www.nrel.gov).

## Resources

[Return to top](#)

State Electric Company (STELCO) E-mail: [azzam.ibrahim@stelco.com.mv](mailto:azzam.ibrahim@stelco.com.mv)

## WATER SPORTS AND TRANSPORT EQUIPMENT

### Overview

[Return to top](#)

Boats, marine equipment, dive/fishing/water sports equipment and accessories: Many resorts retain a small number of motorboats and floatplanes to ferry visitors to/from the airport, Male', and dive sites. Many resorts offer dive centers with equipment available for rental. Some also offer water sports and deep-sea fishing expeditions and require specialized gear and watercraft.

The new resort islands will extend the resort network to all 20 atolls in Maldives. This will present more opportunities for transport from Male' to the domestic airports in the north and south, as well as to the remote islands. The Ministry of Transportation and Civil Aviation has designated six islands for possible domestic airport development in the future.

## Resources

[Return to top](#)

Maldives Association of Tourism Industry: [www.maldivestourism.org.mv](http://www.maldivestourism.org.mv)  
Phone: (960) 3326640, 3321701 Fax: (960) 3326641

## BUILDING MATERIALS AND CONSTRUCTION EQUIPMENT

### Overview

[Return to top](#)

Building materials: Maldivians traditionally used coral for building construction. In an effort to protect the environment and encourage construction with materials other than coral for environmental protection, the government reduced duties on building materials from 35 percent to 5 percent. In March 1999, the government announced a ban on all coral mining for construction of tourist resorts, including breakwaters.

Construction: There may be opportunities for equipment suppliers and firms specializing in land reclamation. Refer to the section on infrastructure projects below.

## Resources

[Return to top](#)

Maldives National Chamber of Commerce and Industry

Phone: (960) 332 6634, 331 0234, 331 0717 Fax: (960) 332 1889, 331 0233

E-mail: [mncci@dhivehinet.net.mv](mailto:mncci@dhivehinet.net.mv)

State Trading Organization (STO)

Tel: (960) 3323279 Fax: (960) 3325218

E-mail: [sto@dhivehinet.net.mv](mailto:sto@dhivehinet.net.mv)

## EDUCATION SERVICES

### Overview

[Return to top](#)

There is potential for educational service exports. Given the scarcity of higher-level education in Maldives, U.S. training institutes and colleges/universities may find opportunities to market their courses and degrees, as well as to establish local training courses or institutions such as e-learning programs. The remote islands that would benefit most from these services currently lack sufficient telecommunication capacity to make use of them. With telecommunications services developing, there is greater possibility for e-learning access.

### Resources

[Return to top](#)

Maldives National Chamber of Commerce and Industry

Abdullah Faiz, Secretary General

Phone: (960) 332 6634, 331 0234, 331 0717. Fax: (960) 332 1889, 331 0233

E-mail: [mncci@dhivehinet.net.mv](mailto:mncci@dhivehinet.net.mv)

Eduvision - Higher Education and Career Guidance Exhibition [www.saexhibitions.com](http://www.saexhibitions.com)

## FISHERIES EQUIPMENT

### Overview

[Return to top](#)

The fisheries sector in Maldives is growing rapidly. Fish exports were \$110 million in 2007. Maldives would like to further develop its fisheries sector, which is focused on tuna, to increase exports and value added production. The expansion and diversification of the fisheries sector present many opportunities for U.S. companies.

Equipment Supply: New facilities will require refrigeration and processing equipment. Ice plants and cooling systems are especially necessary. Most private companies are familiar with American brands and commend their reliability.

Fish Product Packaging: There will be opportunities to introduce and supply fish canning and disposable pouch packaging technology, in addition to technology for preparing pet foods, lunch packets, sausages and cutlets, fish oil, and fishmeal.

Technical Expertise: Aquaculture is still developing in Maldives. Foreign technical knowledge will be required to investigate its feasibility.

## Resources

[Return to top](#)

U.S. Companies interested in exploring these opportunities can contact the companies below:

Maldives Industrial Fisheries Company Ltd. (MIFCO): [www.mifco.com.mv](http://www.mifco.com.mv)

Tel: 960-3323932 Fax: 960-3323955

E-mail: [info@mifco.com.mv](mailto:info@mifco.com.mv)

Island Enterprises Pvt. Ltd.

Tel: 960-3323531/3325643/3322747 Fax: 960-3325645

E-mail: [fiberbot@dhivehinet.net.mv](mailto:fiberbot@dhivehinet.net.mv)

Jausa Fisheries Project: [www.jausa.com.mv](http://www.jausa.com.mv)

Tel: 960-3317575 Fax: 960-3320997

E-mail: [info@jausa.com.mv](mailto:info@jausa.com.mv)

Horizon Fisheries Pvt. Ltd: [www.horizonfisheries.com](http://www.horizonfisheries.com).

Tel: 960-3328855 Fax: 960-3324455

E-mail: [info@horizonfisheries.com](mailto:info@horizonfisheries.com)

Exporters:

HMS Maldives Pvt. Ltd: [www.hms.com.mv](http://www.hms.com.mv)

Tel: 960-3334805 Fax: 960-3325779

Marine Coral Maldives Pvt. Ltd.

Tel: 960-3313307 Fax: 960-3325645

E-mail: [coral@dhivehinet.net.mv](mailto:coral@dhivehinet.net.mv)

## INFRASTRUCTURE PROJECTS

The Government of Maldives has ambitious infrastructure development plans that present new business opportunities for U.S. companies.

The following projects represent the most significant infrastructure upgrades taking place in Maldives:

Male'/Hulhule' Link Bridge: The Government of Maldives is planning to build a bridge connecting Male' and Hulhule' island, where the major international airport is located. Also known as airport island, Hulhule' will be connected to the newly reclaimed and residential island of Hulhumale', which will be developed as a residential and industrial center.

For more information please contact:  
Mr. Abdulla Naushad  
Director, Engineering  
Coastal and Civil Engineering Section  
Ministry of Construction and Public Infrastructure.  
Tel: 960 332 3473  
Fax: 960 332 8300  
E-mail: [naushad@construction.gov.mv](mailto:naushad@construction.gov.mv)

Commercial Port for Male' Urban Region: A central commercial port is under study. The review is expected to lead to the construction of a central port which will ultimately be the hub of domestic trade feeding all the regional ports and terminals.

For more information please contact:  
Mr. Mahudhi Imad  
Managing Director  
Maldives Ports Authority  
Tel: 960 332 8950  
Fax: 960 332 5293  
E-mail: [gm@maldport.com.mv](mailto:gm@maldport.com.mv)

Hulhumale' Development Project: Hulhumalé is the largest and most complex land reclamation and development project undertaken in Maldives. The project, located on the Hulhulé- Farukolhufushi lagoon, which is about 1.3km away from the capital island Malé, has established a new land mass to meet the existing and future needs in the Malé region, for housing, industrial and commercial development.

There will also be potential opportunities in civil works, supply of equipment and investment in the above projects.

For more information please contact:  
Mr. Mahjub Shujau  
Director  
Hulhumale' Development Corporation  
Tel: 960 3353535  
Fax: 960 3358892  
E-mail: [mahjub@hdc.com.mv](mailto:mahjub@hdc.com.mv)

Website: <http://www.hdc.com.mv>

Male' International Airport Upgrading Project: The Government wants to expand the Male' International Airport to accommodate the growing number of tourists. A master plan for airport development is currently underway. The airport needs a larger apron, longer taxi ways, larger cargo terminal, and larger arrival and departure lounges.

For more information please contact:

Mr. M. Solih, Managing Director  
Maldives Airports Company Limited (Admin Building)  
Male' International Airport  
Hulhule'  
Rep. of Maldives  
Ph: 960-333-88-00  
Website: <http://www.airports.com.mv>

Regional Airports: The Government has identified ten islands strategically spread throughout the atolls for airport development. Airport development is encouraged by the development of new resort islands, which will require efficient transport services to and from Male' International Airport.

For more information please contact:

Mr. Mohamed Shareef  
Director, Planning and Projects  
Maldives Airports Company Ltd.  
Tel: 960 3322814  
Fax: 960 3331515  
E-mail: [m.shareef@maclinet.net](mailto:m.shareef@maclinet.net)  
Website: <http://www.airports.com.mv>

Post-tsunami reconstruction: Post-tsunami reconstruction is a priority for the Government of Maldives. Restoring educational facilities, housing, power, transport, fisheries, tourism and business sectors, and providing vocational training and facilitating income earning activities for the people in the atolls are high on the government's economic agenda. Total cost for Maldives reconstruction is estimated at \$493 million. About 50% of this amount has been spent as of January 2008. Tourism rehabilitation is to cost \$100 million, housing \$121 million, and water and sanitation \$46 million.

For more information please visit:

[www.tsunamimaldives.mv](http://www.tsunamimaldives.mv)  
[www.finance.gov.mv](http://www.finance.gov.mv)  
[www.adb.org](http://www.adb.org)  
[www.worldbank.org/mv](http://www.worldbank.org/mv)

## **AGRICULTURAL SECTORS**

[Return to top](#)

Maldives relies on imports to fulfill most of its food requirements for the local population and tourists. The hotel sector in Maldives is a lucrative market for all types of U.S. food and beverages, including wine. While alcohol is illegal on islands inhabited by

Maldivians, it can be imported for sale on resort islands with a permit obtained from the Ministry of Economic Development and Trade. Around 675,000 tourists visit Maldives annually, and on average spend \$150 per night. There is a need for technology transfer to support industries such as hydroponics, aquaculture, value-added fish processing, marine research, botanicals, and poultry farms.

## **Resources**

[Return to top](#)

Maldives Association of Tourism Industry [www.maldivestourism.org.mv](http://www.maldivestourism.org.mv)

Phone: (960) 3326640, 3321701 Fax: (960) 3326641

State Trading Organization (STO)

Tel: (960) 3323279

Fax: (960) 3325218

E-mail: [sto@dhivehinet.net.mv](mailto:sto@dhivehinet.net.mv)

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 5: Trade Regulations and Standards

- [Import Tariffs](#)
- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
- [Temporary Entry](#)
- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
- [Standards](#)
- [Trade Agreements](#)
- [Web Resources](#)

### Import Tariffs

[Return to top](#)

Imports are subject to duty. Maldives relies heavily on import duties for government revenue.

A duty of 200 percent is imposed on plastic products that damage the environment. A duty of 100 percent is reserved for motor vehicles, large motorcycles, tires and vehicle parts. Cigarettes are at 50 percent. Other items have duty rates ranging from 5 to 35 percent. Import duty is levied on the CIF (Cost + Insurance + Freight) value of the goods.

Items brought by air and sea passengers for personal use are exempted from duty.

Currently no duty is levied on goods intended for export except on ambergris (a whale secretion used as a fixative for perfumes).

### Trade Barriers

[Return to top](#)

Non-tariff barriers are few; import quotas apply only on rice, flour, and sugar. Import licensing is mainly automatic, and minimal customs procedures apply.

The State Trading Organization (STO) is the main importer, with ten retail outlets throughout the islands. The STO is allocated 70 percent of import entitlements for rice, sugar, and wheat flour. The retail prices of these items are controlled at near STO levels to ensure supplies at affordable prices. The STO also controls the import and resale of jet fuel. Government procurement is increasingly transparent through the introduction of open competitive tendering and transparency procedures. Until recently the STO was the central purchasing entity for public procurement.

Issuance of trade licenses to foreigners is regulated under the Foreign Traders Act. Licenses are currently issued by the government only for international chain stores, jewelry shops, and brand name shops.

## **Import Requirements and Documentation**

[Return to top](#)

Goods entering Maldives must submit to customs valuation, documentation, payment of duty, and examination. The speed of these processes is mainly dependent on the clarity of the documents submitted by the importer and the amount of information provided in the documents.

**Valuation:** All commercial imports must have accompanying invoices which are subjected to a valuation process. The importer should submit the following documents to the Valuation Section of the Maldives Customs Service: original and three copies of the commercial invoice, bill of lading or the air way bill; packing list; and bank documents.

**Documentation:** The importer should fill in the Customs Declaration Form based on the commercial invoice. The following documents should then be submitted to the Documentation Section of the Maldives Customs Service: Maldives Customs Service endorsed commercial invoice and two sets of Customs Declaration Forms.

**EDI/DTI Services:** Import/Export documents can be submitted to the Customs through EDI (Electronic Data Interchange) or DTI (Direct Trader Input). Only authorized users, however, can access these services.

**Examination and Release of Cargo:** The Maldives Customs Service will inspect cargo as the final stage in the Customs process prior to releasing the goods.

## **Prohibited and Restricted Imports**

[Return to top](#)

Specific import prohibitions include religious materials offensive to Islam, explosives, weapons, ammunition, narcotics, pornographic material, idols of worship, pork products, and other particular animal products. Alcoholic beverages cannot be imported without an official license. Bibles and other religious publications may be brought into Maldives by non-nationals for their personal use only. Import for commercial use or proselytizing is prohibited.

## **Customs Contact Information**

[Return to top](#)

Maldives Customs Service,  
Boduthakurufaanu Magu, Male'  
Republic of Maldives,  
Tel: (960) 3322001 Fax: (960) 3322633.  
E-mail: [customsmail@customs.gov.mv](mailto:customsmail@customs.gov.mv)

Website: [www.customs.gov.mv](http://www.customs.gov.mv)

## Standards

[Return to top](#)

In the absence of domestic standards, foreign standards are required on some imports.

## Trade Agreements

[Return to top](#)

Maldives is a member of the World Trade Organization (WTO). Maldives still lacks proper legislation to implement WTO agreements and meet its obligations. WTO-consistent intellectual property legislation is absent.

Maldives grants Most Favored Nation (MFN) treatment to all trading partners. Maldives is a party to the South Asian Free Trade Agreement (SAFTA) that went into force on July 1, 2006. This agreement supersedes the South Asian Preferential Trade Agreement (SAPTA) which provided preferential access to imports from SAARC member nations. Under the SAFTA, Maldives offers slightly reduced duties for imports from regional countries. Pakistan, India, and Sri Lanka have promised to reduce duties on intraregional trade to between 0 percent and 5 percent by 2013, while least-developed country (LDC) members Bangladesh, Maldives, Nepal, and Bhutan have agreed to do so by 2018. The LDCs will also receive technical assistance in areas such as capacity building in customs procedures and trade facilitation.

Maldivian exports benefit from the EU Generalized System of Preferences, but not the U.S. GSP due to lack of sufficient labor protection. Additional SAARC LDC preferences also apply to Maldivian exports. Maldives benefits from special treatment afforded to LDCs in the form of exemptions and delayed implementation of certain WTO provisions.

## Web Resources

[Return to top](#)

Maldives Customs Service: [www.customs.gov.mv](http://www.customs.gov.mv)

State Trading Organization: [www.stomaldives.com](http://www.stomaldives.com)

Foreign Investment Services Bureau: [www.trademin.gov.mv](http://www.trademin.gov.mv)

Ministry of Economic Development and Trade: [www.trademin.gov.mv](http://www.trademin.gov.mv)

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 6: Investment Climate

- [Introduction](#)
- [Openness to Foreign Investment](#)
- [Conversion and Transfer Policies](#)
- [Expropriation and Compensation](#)
- [Dispute Settlement](#)
- [Performance Requirements and Incentives](#)
- [Right to Private Ownership and Establishment](#)
- [Protection of Property Rights](#)
- [Transparency of Regulatory System](#)
- [Efficient Capital Markets and Portfolio Investment](#)
- [Political Violence](#)
- [Corruption](#)
- [Bilateral Investment Agreements](#)
- [OPIC and Other Investment Insurance Programs](#)
- [Labor](#)
- [Foreign-Trade Zones/Free Ports](#)
- [Foreign Direct Investment Statistics](#)
- [Web Resources](#)

### Introduction

[Return to top](#)

Maldives is comprised of over 1,190 islands, of which 198 are inhabited and 90 are exclusive resort islands. The population is about 300,000, while over 675,000 tourists arrive annually. The capital, Male', has a population of 103,000. GDP in 2007 totaled about \$1 billion, or about \$3,300 per capita (exceeding the average of about \$700 in the rest of South Asia). Over the past decade, real GDP growth averaged over 7% per year except for 2005, when GDP declined following the Indian Ocean tsunami. Economic growth has been powered mainly by tourism and its spin-offs in transportation, communication, and construction. While income disparity remains high, this growth yielded considerable social progress. The net enrollment in primary education is close to 100%. Literacy rates are about 98%. Infant and maternal mortality are declining rapidly.

The Indian Ocean tsunami in December 2004 devastated many islands; damage was estimated at \$450 million. Yet the Maldivian economy has made a remarkable recovery from the tsunami. A rebound in tourism, development of new resorts, and post-tsunami reconstruction helped the economy in the ensuing years. In 2006 GDP growth was 19% following tsunami reconstruction-driven growth of 45% in 2005. Growth returned to normal levels of about 7% in 2007. Growth is expected to continue in 2008, at about 8%, fueled by tsunami reconstruction, government spending, new resort construction and tourism.

Recent growth, while remarkable, has come at the cost of extremely high budget deficits and mounting external debt. Since 2004, government spending has increased rapidly due to tsunami reconstruction and higher social and capital investment. According to preliminary information, government expenditure rose to an unprecedented 50% of GDP in 2007. Consequently, the budget deficit, which was 1.6% of GDP before the tsunami, expanded to 20% of GDP. In 2008, Government expenditure is set to rise further. Government revenue comes mainly from tourism and import tariffs. Foreign aid is also a major funding source of the budget. The government has borrowed heavily from the Maldives Monetary Authority and foreign sources to meet the 2007 deficit. Inflation has increased to over 5% in 2007 compared with approximately 3.5% in 2006. IMF and other international donor agencies have urged the government to return to fiscal prudence quickly to ensure future economic stability.

Maldives' trade deficit has expanded sharply in recent years as a result of high oil prices and import of construction materials. In 2007, the trade deficit reached an estimated \$700 million. However, due to increased tourism and government borrowing, the balance of payments recorded a surplus of about \$45 million for the second straight year. External debt and debt service have risen rapidly in recent years. Total external debt is likely to surpass \$700 million in 2007 (about 67% of GDP), more than double the level in 2004.

Maldives has applied to Standard and Poor's credit rating agency for an international credit rating.

Maldives is ranked 60 out of 178 countries in the World Bank's ([www.worldbank.org](http://www.worldbank.org)) Ease of Doing Business 2008 Index, ahead of its South Asian neighbors. The index investigates regulations that enhance or constrain business activity. Within the index, Maldives ranked first in terms of paying taxes (Maldives has no income or sales tax), seventh in employing workers, and eighth in dealing with licenses. But in terms of registering property, getting credit, and closing a business, the country ranked lower, at 178, 135, and 120, respectively. Other ranks were as follows: starting a business 34, protecting investors 64, trading across borders 110, and enforcing contracts 94.

Maldives will “graduate” from Least Developed Country (LDC) status in 2011. Maldives' major economic challenge beyond LDC graduation is how to diversify the economy beyond tourism and fisheries. Tourism will likely remain the engine of the economy. Over 40 new resorts are expected to open in the next two years. The government hopes to expand existing airports and build new ones to cater to increased tourism. Other plans include increasing capacity of ports.

In 2007, the government presented the Seventh National Development Plan, which will guide development from 2006-2010. The plan outlines Maldives' goals to further improve tourism, develop infrastructure, improve social protection and modernize education to achieve development goals. In 2008, Maldives plans to adopt a regional development policy to improve atoll infrastructure and services, and to consolidate populations to a few large population centers.

The United Nations Development Program (UNDP) [www.mv.undp.org](http://www.mv.undp.org), the World Bank [www.worldbank.org](http://www.worldbank.org), and other multilateral and bilateral donors are active in Maldives. They support government efforts to improve education, health and nutrition, housing and social protection, basic infrastructure, create employment opportunities, environmental

protection and improved governance. The United States has friendly relations with Maldives. To further enhance engagement with the United States, the Government of Maldives plans to open a diplomatic mission with a trade office in Washington D.C. in 2008.

## **Openness to Foreign Investment**

[Return to top](#)

Foreign investment in Maldives is governed by Law 25/79, which provides for an agreement between the government and an investor. The Law of Contract governs contractual relationships, and a separate law (No. 4/79) governs business and trading activities by foreign nationals. Investment agreements are for an initial period of 5 to 10 years for investments less than \$1 million, and can be renewed thereafter. For larger projects, terms are negotiable.

Maldives began opening up to foreign investment in the late 1980s. Foreign investments in Maldives have primarily involved resort management, but also include telecommunications, accounting, banking, insurance, air transport, courier services, and some manufacturing. The Foreign Investment Services Bureau (FISB) ([www.investmaldives.org](http://www.investmaldives.org)) within the Ministry of Economic Development and Trade is tasked with promoting and regulating foreign investments, with the notable exception of the tourism sector. The FISB reviews all proposed investments (excluding tourism, see below), prior to granting licenses.

The FISB offers "one-stop shop" services to investors and incentives including import duty concessions, 100% foreign ownership, no restrictions on repatriation of earnings or profits, and no foreign exchange restrictions. Foreign investments are required to pay annual royalty fees to the government. The royalty fee is 3% of gross income or 15 percent of profits, whichever is greater, for majority foreign-owned companies. For others, the royalty is 1.5 percent of income or 7.5 percent of profits, whichever is greater. At present, personal income taxes are not imposed. Banks' profits are taxed and a corporate profit tax is under consideration for the end of the decade. International arbitration is available for dispute settlement. Foreign investments within the tourism sector – such as resorts – are registered with the Ministry of Civil Aviation and Tourism.

The government leases islands for resort development. Foreigners are allowed to invest in the tourism sector as lease holders or joint venture partners or as resort operators. The entire profit can be repatriated. The Maldives Tourism Act 2/99 is the principle law that governs and regulates resort leases. Resorts are leased for 25 years except in the case of investments exceeding \$10 million where the lease period is 35 years. Article 3 of the Foreign Investment Law 25/79 requires all foreign nationals investing in tourism to sign an agreement with the Ministry of Civil Aviation and Tourism. Successful resort bidders are required to pay an annual lease rental to the government. Currently, the government collects a substantial portion of lease rental in advance.

The FISB approves joint ventures in the following sectors within ten working days of submitting required documentation: financial consultancy, auditing, insurance, water sports, commercial diving, domestic air transport, airline catering, game fishing, technical support services, apparel manufacturing, water bottling, cement, agencies, spa operators, water purification, boat building, software development, ferry services, finance leasing, fish processing, traditional medicine, underwater photography, ice making,

restaurants, and valuation. Proposals for joint ventures in other sectors and investments fully owned by foreigners are approved within 30 days.

The FISB encourages investment projects which: (1) are capital intensive; (2) enhance technology transfer; (3) introduce new skills and offer training to local employees; and, (4) are environmentally friendly. The FISB has identified the following industries as offering potential for foreign investors:

**Tourism:** Opportunities exist in the entire range of services, including development and management of resorts, tourist activities, and land and sea transportation.

**Value-Added Fisheries:** Fish processing is open to foreign investment, particularly for new technology and capital investment.

**Financial - banking, accounting, and management consulting:** The FISB is interested in bringing in more global banks. (Only HSBC is currently present). The lack of adequate banking laws has deterred entry, however.

**Transportation and Shipping:** Development of air and sea transport including inter-atoll transport services, bunkering, transshipment, and passenger cruises. Male' International Airport is the main gateway to Maldives. In December 2007, the airport on Gan Island in the south was upgraded to accommodate international flights. Of the 198 inhabited islands in the Maldives, 105 have harbors. Other key priorities in the transport sector are the expansion of the Male' Airport and the Male' Commercial Harbor, the development of a transshipment port, a bridge connecting the capital city Male' with the airport island Hulhumale, and a new commercial port in the Male' region.

**Population Consolidation:** There are two major development plans in the government's docket. The first is a consolidation of the services and infrastructure of 20 atolls around five regional centers. The second is a project to alleviate overcrowding in Male' by developing nearby Hulhumale Island, where Male's international airport is located.

Telecommunications and information technology also offer potential opportunities.

**Power:** Currently, virtually all electricity is provided by diesel generators. Tourist resorts consume about 60 percent of electricity used in the Maldives. There is scope to provide renewable sources such as solar, wind and biomass for energy needs; pilot projects in these areas are underway on some islands.

Retail trading is closed to foreign investment. The production of any items that are illegal to import into Maldives is prohibited.

## **Conversion and Transfer Policies**

[Return to top](#)

There are no exchange controls or restrictions on currency movements. Repatriation of funds and profits is allowed after local debts are settled.

Major international currencies can be bought and sold at banks and authorized moneychangers. Hotels and banks accept major credit cards and travelers checks. Foreign currency accounts are available through banks. The US dollar is the most widely used foreign currency and is accepted by small shops and taxi drivers in Male'.

The official exchange rate is set at 12.8 Rufiyaa to the dollar. This rate has remained unchanged since 2001. The Maldivian currency is non-convertible and its true value cannot be determined. The Government has noted that it will need to review the exchange rate policy in the next few years in order to promote export diversification. The heavy dependence on imports is a constraint for exchange rate management, though tourism receipts help maintain hard currency liquidity. Large fiscal deficits financed by the Maldives Monetary Authority [www.mma.gov.mv](http://www.mma.gov.mv) pose a potential threat to the fixed exchange rate system.

Foreign reserves at the end of December 2007 were \$301 million, up from \$232 million in 2006, and were sufficient to finance 3.4 months of imports.

The government has taken initial action to introduce a new public accounting system. A new Public Finance Law, an Audit Law and a Civil Service Law came into force in 2006-2007. Legislation on Anti-Money Laundering and Combating Terrorist Financing has been drafted.

### **Expropriation and Compensation**

[Return to top](#)

According to the Law on Foreign Investment (25/79) the Government may, with or without notice, suspend an investment, either where the investor indulges in an act detrimental to the security of the country or where temporary closure is necessary for national security. If, after due investigation, it cannot be concluded within 60 days of the temporary closure that the foreign investor had indulged in an activity detrimental to the security of Maldives, then the Government will pay compensation. Capital belonging to an investment that is closed for the above reasons may be taken out of the country in a mutually agreed manner. There appears to be little risk of expropriation in the near future.

### **Dispute Settlement**

[Return to top](#)

The sources of law in Maldives are its constitution, Islamic Sharia law, regulations, Presidential decrees, international law, and English common law, with the latter being more influential in commercial matters. In November 2005 the government announced the creation of a ten-member Judicial Services Commission (JSC) responsible for nominating, dismissing, and examining the conduct of all judges; however, the JSC was not yet fully functional by the end of 2007. There are four courts in Male': a high court, civil court, criminal court, and a family and juvenile court. In addition, there are approximately 200 magistrate courts, one in each inhabited island. The High Court serves as court of appeal and also handles any politically sensitive cases. There are no jury trials. Though legal procedures are adequate, the judicial process is slow.

Ultimate appeal may be directed to the President. In this process, the President is briefed by an advisory board, which goes through the appeal and recommends that the President affirm or overturn the decision of the High Court. Under a November 2005 Presidential decree, this advisory board was given some independence. The current constitution does not allow for an independent supreme court. A process of constitutional revision initiated in 2004 has not yielded results as yet.

The law on foreign investments guarantees the security of investments. Maldives has no laws pertaining to arbitration. Disputes involving investments below \$1 million can be referred to the courts in Maldives. Disputes over \$1 million can be referred for international arbitration.

Recognizing that the existing legal and commercial framework is underdeveloped and not always fully transparent or predictable, the government is promoting administrative reforms and formulating regulations dealing with labor, the environment and industry. In recent years, the People's Majlis (parliament) has enacted a number of commercial laws, including the Law of Contract, the Negotiable Instruments of Law, and the Companies Act. Maldives is not a member of the International Center for the Settlement of Investment Disputes (ICSID).

### **Right to Private Ownership and Establishment**

[Return to top](#)

There is little private ownership of land. Land reform currently under consideration may result in more trade and private ownership of property. Foreign investors are not allowed to own land, but are granted lease rights ranging up to 25 years, which can be later extended by an additional 10 years) for investments over \$10 million, or additional 25 years if 50% of the company's shares are floated on the Maldives stock market. Leases can be renewed at the end of their terms, but the formula for assessing compensation value of a resort at the end of a lease has not yet been developed. The government is looking at the possibility of extending the initial lease period from 25 years to 50 years.

### **Protection of Property Rights**

[Return to top](#)

Maldives lacks specific legislation to protect intellectual property rights (IPR) and has not signed any related international agreements or conventions. Maldives benefits from the World Trade Organization (WTO) decision to extend the transition period for least-developed countries (LDC) to provide protection for intellectual property under the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement until July 1, 2013.

### **Efficient Capital Markets and Portfolio Investment**

[Return to top](#)

The financial sector in Maldives is narrow and dominated by the banking sector. The banking sector consists of one publicly owned commercial bank -- the Bank of Maldives - - and branches of four foreign-owned commercial banks. HSBC, the only global bank present, set up operations in 2002. Non-bank financial institutions in the country consist of two insurance companies, a pension fund, and a finance leasing company. All financial institutions currently operate under the supervision of the Maldives Monetary Authority, which acts as the central bank. The Maldives Monetary Authority Act was amended in 2007 to ensure independence of the Authority.

Local sources of finance are limited in scope because of the small size of the capital market and the lack of instruments that are available in more developed nations. The government commenced treasury bill auctions in 2006. Other types of financial instruments are not offered to the public. The commercial banks provide short- and long-term credit to the private sector. No specialized financial institution exists to meet

the investment needs of tourism, agriculture and fisheries. Non-performing loans fell to 2.4% of total loans in 2006 from about 6.7% in 2005 due to a recovery in tourism and to improved banking supervision. Most foreign currency loans are made to foreign currency-earning tourist enterprises. The Maldives Monetary Authority has introduced an emergency liquidity facility for commercial banks. Banking supervision has recently been upgraded, moving toward international best practices.

A small Securities Trading Floor (STF) opened in Male' in 2002 and performs the role of a stock exchange. In 2006, the government took several steps to enhance the capital market. The legislature passed a Securities Act in January 2006. In January 28, The Maldives Stock Exchange was licensed as a private exchange. The Capital Market Development Authority (CMDA) regulates the capital market. The STF now functions under the CMDA. At present, the only investment opportunities available to the public are a limited number of shares in the Bank of Maldives and three other state-owned public companies. A leasing company, Maldives Finance Leasing Company (Pvt) Ltd (MFLC), was established in May 2002 as a collaborative venture between five domestic public and private sector entities and two international parties including the World Bank's International Finance Corporation (IFC). The MFLC aims to address the demand for long-term equipment financing from all sectors of the economy.

The Housing Development Finance Corporation is a government company designed to provide housing loans with long repayment terms at favorable interest rates. The company is also entrusted with drawing up land use policy in Maldives.

## **Political Violence**

[Return to top](#)

Maldives has a homogeneous society of one culture, one religion and one language. The current President has been in office since 1979. In 2004, the Government initiated a process of constitutional reforms to address calls for change and democracy. The President established a Special Majlis (a special parliament separate from the People's Majlis) in May 2004 specifically to consider proposed amendments to the constitution. Elections in January 2005 brought some reformists into parliament. In June of 2005, Parliament legally recognized political parties. In 2008, Maldives will have its first multi-party Presidential elections.

Reformists complain that reform programs are slow and insufficient. Opposition groups held demonstrations to demand further reforms and request the release of political prisoners in August and November 2005 and January 2006. The demonstrations remained largely peaceful, although after the first such protest in August 2005, several people were arrested and parliament was temporarily suspended. The arrested demonstrators were later released without charge.

Religious extremism, involving espousal of fundamentalist views incompatible with Maldives' generally moderate Islamic practices, is a growing trend. In September 2007, Maldives experienced its first-ever terrorist attack when a bomb exploded in the capital of Male', injuring twelve tourists, who appeared to be the target of the attack.

## **Corruption**

[Return to top](#)

Corruption is a problem in Maldives. The World Bank's Control of Corruption Index for Maldives shows a steady decline in recent years from +0.06 in 2003 to -0.15 in 2004, -0.32 in 2005 and -0.51 in 2006. Transparency International's Corruption Perception Index surveyed Maldives for the first time in its 2007 index. Maldives ranked 84 out of 179 countries with a score of 3.3 out of a possible 10.

In 2002, parliament passed a bill on the prevention and punishment of corruption. The law defines bribery and improper pecuniary advantage and prescribes punishments. The law also outlines procedures for the confiscation of property and funds obtained through commission of the included offenses. It broadens the mandate of the Anti-Corruption Board, which previously extended only to government employees, to investigate corruption in the private sector.

### **OPIC and Other Investment Insurance Programs**

[Return to top](#)

Currently, the Overseas Private Investment Corporation (OPIC) does not operate in Maldives. Maldives is not a member of the Multilateral Investment Guarantee Agency of the World Bank Group.

### **Labor**

[Return to top](#)

Skilled and unskilled labor is scarce, and expatriate labor is allowed in order to meet shortages. There are an estimated 67,000 expatriate workers, mostly in the tourism, construction, and social and personal services sectors. Expatriate labor is equal to or more expensive than local labor. Even when salaries are set lower, travel and other benefits typically make it more expensive overall to hire expatriates. Wages in the private sector are usually set by contract between employer and employee and are generally based on rates for similar work in the public sector. Employment contracts usually specify work hours on a weekly or monthly basis. Employees are usually authorized 20 days of annual leave, 30 days of medical leave, 45 days of maternity leave, and 10 days of special annual leave for "extraordinary circumstances." There are no laws governing health and safety conditions; however, there are regulatory requirements that employers provide a safe working environment and ensure the observance of safety measures.

Maldives is not a member of the International Labor Organization. Although unions are not expressly prohibited, the government does not recognize the right to form unions or the right to strike. Hence, labor actions and disputes are rare. The United States in 1995 suspended Maldives' eligibility for tariff preferences under the US Generalized System of Preferences (GSP) because the government failed to take steps to afford internationally recognized worker rights to Maldivian workers. The government has drafted new labor laws dealing with rights of association, the right to organize, and acceptable conditions of work, but passage of these laws has been delayed by ongoing legal review.

### **Foreign Direct Investment Statistics**

[Return to top](#)

Foreign Investment: U.S. firms represented in Maldives include Western Union, FedEx, UPS, Hewlett Packard (HP), Dell, Compaq, Coca-Cola, American Express, Hilton Resorts, SeaTec, Ernst and Young, PricewaterhouseCoopers, and KPMG.

## Web Resources

[Return to top](#)

Foreign Investment Services Bureau:	<a href="http://www.investmaldives.org">www.investmaldives.org</a>
International Monetary Fund:	<a href="http://www.imf.org">www.imf.org</a>
World Bank:	<a href="http://www.worldbank.org">www.worldbank.org</a>
Ministry of Planning and National Development:	<a href="http://www.planning.gov.mv">www.planning.gov.mv</a>
Maldives Monetary Authority:	<a href="http://www.mma.gov.mv">www.mma.gov.mv</a>
Maldives Stock Market:	<a href="http://www.maldivesstockexchange.com.mv">www.maldivesstockexchange.com.mv</a>
United Nations Development Program:	<a href="http://www.mv.undp.org">www.mv.undp.org</a>

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
- [Project Financing](#)
- [Web Resources](#)

### How Do I Get Paid (Methods of Payment)

[Return to top](#)

Letters of Credit (LC) form the basis for most trade. Terms of payment are negotiable between importer and supplier. Singaporean traders reportedly offer very attractive credit terms (by some accounts, 12 to 18 months, as compared to the more standard 6 months) to Maldivian customers.

### How Does the Banking System Operate

[Return to top](#)

Five commercial banks operate in Maldives, including HSBC. These banks follow normal international banking practices and offer LC facilities and other financing, primarily serving the tourism sector and import-export trade. Banking is regulated by the Maldives Monetary Authority, which acts as the Central Bank. Long-term domestic financing is a problem.

### U.S. Banks and Local Correspondent Banks

[Return to top](#)

There are no U.S. Banks operating in Maldives. HSBC, Bank of Ceylon, Bank of Maldives, Habib Bank of Pakistan, and Indian Bank provide correspondent banking facilities.

### Project Financing

[Return to top](#)

Major sources of project financing in Maldives are the Asian Development Bank and the World Bank. The World Bank's International Finance Corporation is increasing its involvement in project financing.

International Finance Corporation (IFC): IFC financing is available for private sector development in Maldives. IFC has a small portfolio in the Maldives, consisting of 5 investments and a commitment of \$70.5 million. The portfolio consists of \$1.2 million in equity and \$69.2 million of loans. IFC has supported private investment in tourism, logistics and the financial sector, accompanied by a strong program of technical assistance. In addition, IFC has mobilized \$7.5 million of loans from participant banks.

Leasing: The first leasing company in Maldives is Maldives Finance Leasing Company Pvt Ltd. (MFLC), formed May 2002, with the support of the International Finance Corporation of the World Bank, the National Development Bank of Sri Lanka, Maldives Transport and Contracting Company Plc Bank of Maldives Plc, and three domestic

private sector companies. The company provides long term equipment financing for local businesses.

**Project pipeline:**

**World Bank**

Integrated Human Development Project	\$16 million
Post Tsunami Emergency Relief and Reconstruction	\$14 million
Additional Financing for Human Development	\$5.7 million

**Proposed World Bank loans:**

Environment Management Project	\$12 million
Pension Administration Project	\$14 million
Mobile Phone Banking Project	\$8 million

Selling to the World Bank: The U.S. Department of Commerce has assigned commercial liaison officers to the World Bank. These officers work closely with the U.S. Executive Director to support efforts of U.S. companies pursuing World Bank contracts. They assist U.S. companies through the procurement process, introduce them to key contacts at the bank, and when necessary and advisable, advocate on behalf of the company to insure fair consideration during the bid process.

Interested parties should contact the following:

Commercial Liaison Office  
Address: Commercial Liaison Office to the World Bank  
Office of the U.S. Executive Director  
1818 H Street N.W., Washington D.C. 20433  
Phone: (202) 458-0120/0118; Fax: (202) 477-2967.

**Asian Development Bank**

Outer island development	\$12 million
Outer island electrification	\$ 8 million
Strengthening public accounts and governance	\$ 5 million
Regional development	\$ 6 million
Post-secondary education development	\$21 million
Information technology development	\$11 million
Tsunami Emergency Assistance Program	\$22 million
South Asian SME Leasing Facility	\$4.5 million
Domestic Maritime Transport Development	\$ 8 million
Employment Skills Training	\$ 9 million

**Proposed ADB loans**

Private Sector Development	\$ 5.5 million
Housing Development Finance Corporation	\$ 10 million

In order to find Asian Development Bank funded projects in Maldives, visit [www.adb.org](http://www.adb.org). On the homepage, select country, "Maldives".

Selling to the Asian Development Bank: A Commercial Liaison Office in Manila assists U.S. suppliers and consultants in winning contracts on ADB-funded projects and

activities. The liaison works closely with the U.S. Executive Director who represents the United States on the Bank's Board of Directors.

Interested parties should contact:

Senior Commercial Officer and US Commercial Liaison to the ADB,  
25/F Ayala Life/FGU Center  
6811 Ayala Avenue, Makati City 1226  
Philippines  
Phone: (632) 887-1345; Fax: (632) 887-1164  
E-mail: [manila.adb.office.box@mail.doc.gov](mailto:manila.adb.office.box@mail.doc.gov)

<b>Japan</b> Various Projects	\$29million
<b>Kuwait</b> Maldives Ports Development Project	\$12 million
<b>Saudi Fund</b> Reconstruction of an Atoll	\$12million
<b>United States</b> Tsunami Reconstruction	<b>\$8 million</b>

#### **Web Resources**

[Return to top](#)

Export-Import Bank of the United States: <http://www.exim.gov>  
Country Limitation Schedule: [http://www.exim.gov/tools/country/country\\_limits.html](http://www.exim.gov/tools/country/country_limits.html)  
OPIC: <http://www.opic.gov>  
Trade and Development Agency: <http://www.tda.gov/>  
SBA's Office of International Trade: <http://www.sba.gov/oit/>  
USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>  
U.S. Agency for International Development: <http://www.usaid.gov>  
Asian Development Bank: <http://www.adb.org/maldives>  
World Bank: <http://worldbank.org>  
International Finance Corporation: <http://www.ifc.org>

The following web sites contain invitations to bid or express interest for World Bank funded projects:

UN Development Business: [www.devbusiness.com](http://www.devbusiness.com)  
The Development Gateway Market: [www.dgmarket.com](http://www.dgmarket.com)  
IFC: <http://ifc.org>  
Development Assistance Database: <http://dad.finance.gov.mv>

The following web sites contain information regarding tsunami reconstruction projects:

Ministry of Finance and Treasury: [www.finance.gov.mv/procurement.htm](http://www.finance.gov.mv/procurement.htm)  
National Disaster Management Center: [www.tsunaimaldives.mv](http://www.tsunaimaldives.mv)  
World Bank: [www.worldbank.org/mv](http://www.worldbank.org/mv)

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 8: Business Travel

- [Business Customs](#)
- [Travel Advisory](#)
- [Visa Requirements](#)
- [Telecommunications](#)
- [Transportation](#)
- [Language](#)
- [Health](#)
- [Local Time, Business Hours and Holidays](#)
- [Temporary Entry of Materials and Personal Belongings](#)
- [Web Resources](#)

### Business Customs

[Return to top](#)

English is the business language in Maldives. Government offices are open 7:30 a.m. to 2:30 p.m. from Sunday through Thursday. Local businesses may be open as early as 8:00 a.m. and as late as 11:00 p.m., closing periodically throughout the day for prayer. Friday and Saturday comprise the weekend, so all government offices, banks, and most businesses are closed. The Rufiyaa, pegged at Rf 12.80 to the dollar as of March 2008, is the main currency used on the inhabited islands, but credit cards are increasingly accepted near large hotels and on resort islands, and cash payment in dollars is accepted at most retail shops and restaurants, and by taxi drivers.

### Travel Advisory

[Return to top](#)

The Republic of Maldives consists of 1,190 islands (fewer than 200 are inhabited) in the Indian Ocean, southwest of Sri Lanka. Maldives has a population of 300,000 of which about 100,000 reside in Male, the capital city. Beautiful atolls, inhabited by over 1,100 species of fish and other sea life, attract thousands of visitors each year. Tourism facilities are well developed on the resort islands. The tsunami of December 26, 2004, caused some damage to several hotels and facilities on some of the islands, but most of the tourism infrastructure remains intact. Read the Department of State [Background Notes on Maldives](#) for additional information.

For the latest security information, Americans traveling abroad should regularly monitor the Department's Internet web site at <http://travel.state.gov> where the current [Worldwide Caution Public Announcement](#), [Travel Warnings, Consular Information Sheets \(Country Specific Information issued by the Bureau of Consular Affairs\)](#), and [Public Announcements](#) can be found.

Up-to-date information on safety and security can also be obtained by calling 1-888-407-4747 toll free in the U.S., or for callers outside the U.S. and Canada, a regular toll-line at 1-317-472-2328. These numbers are available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (except U.S. federal holidays).

The Department of State urges American citizens to take responsibility for their own personal security while traveling overseas. For general information about appropriate measures travelers can take to protect themselves in an overseas environment, see the Department of State's pamphlet [A Safe Trip Abroad](#).

**REGISTRATION / EMBASSY LOCATION:** There is no U.S. Embassy or Consulate in the Maldives. The U.S. Embassy in Colombo, Sri Lanka, provides consular support for the Maldives. Americans living or traveling in the Maldives are encouraged to register with the U.S. Embassy in Colombo through the State Department's travel registration web site (<https://travelregistration.state.gov/ibrs/ui/>) and to obtain updated information on travel and security within the Maldives. Americans without Internet access may register directly with the U.S. Embassy in Colombo. By registering, American citizens make it easier for the Embassy or Consulate to contact them in case of emergency. As a trip from Colombo to Maldives takes about 3 hours, consular support may be limited in an emergency.

The U.S. Embassy in Colombo is located at 210 Galle Road, Colombo 3, Sri Lanka. The Embassy's telephone number during normal business hours Monday through Friday is (94) (11) 249-8500. The after-hours and emergency telephone number is (94) (11) 249-8888. The Consular Section fax number is (94) (11) 249-8590. The Embassy's Internet address is <http://colombo.usembassy.gov/>. The email address for the consular section is [colomboacs@state.gov](mailto:colomboacs@state.gov) or [consularcolombo@state.gov](mailto:consularcolombo@state.gov).

## Visa Requirements

[Return to top](#)

**ENTRY/EXIT REQUIREMENTS:** A valid passport, along with an onward/return ticket and sufficient funds, is required for entry. A no-cost visitor visa valid for thirty days is issued upon arrival. The Department of Immigration and Emigration routinely approves requests for extension of stays up to ninety days for travelers who present evidence of sufficient funds and who stay in a resort or hotel or present a letter from a local sponsor. Anyone staying over sixty days without proper authorization faces heavy fines and deportation. All visitors departing the Republic of the Maldives (except diplomats and certain exempted travelers) must pay an airport departure tax, which is usually included in the price of an airline ticket. Travelers need a yellow fever immunization if they are arriving from an infected area.

Arrival by private boat: Travelers arriving by private yacht or boat are granted no-cost visas, usually valid until the expected date of departure. Vessels anchoring in atolls other than Male' must have prior clearance through agents in Male'.

Specific inquiries should be addressed to the Maldives High Commission in Colombo, Sri Lanka at No. 24, Melbourne Avenue, Colombo 4, telephone (94) (11) 2580076/2586762/2500943, or the Maldives Mission to the U.N. in New York, telephone (212) 599-6194. Visit <http://www.maldivesmission-ny.com/eng/> for the most current visa information.

Please refer to our Customs Information to learn more about customs regulations.

U.S. Companies that require travel of foreign businesspersons to the United States should go to the following links:

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

U.S. Embassy Colombo: [http://srilanka.usembassy.gov/information\\_for\\_travelers.html](http://srilanka.usembassy.gov/information_for_travelers.html)

## **Telecommunications**

[Return to top](#)

All resorts have IDD and fax service and internet facilities. The mobile phone network is quickly expanding. GSM Roaming facilities are available in the capital city, Male', and in most resorts.

## **Transportation**

[Return to top](#)

Direct flights are available to a number of destinations in Europe and Asia, but many flights stop in Colombo, Sri Lanka.

Only a few of the islands are big enough to support automobiles. Most transportation in the Maldives is by boat or seaplane. Maldives has good safety standards for land, sea, and air travel. Roads in Male' and on the airport island are made of brick and are generally well-maintained. Dirt roads on resort islands are well-kept by the resorts. Transportation on Male' island is either by foot or by readily-available taxis. Transportation between the airport and Male', as well as to nearby resort islands, is by motorized water taxi and speedboat. Several local companies provide seaplane and helicopter service to outlying islands. Air taxis stop flying one hour before sunset, and several resorts do not transport passengers by boat between the airport and the resort island later than one hour before sunset. Visitors to distant resorts arriving in the country at night can expect to stay overnight at a hotel in Male or at the airport hotel and should confirm transfer arrangements in advance.

Visit the website of the Maldives national tourist office and national authority responsible for road safety at <http://www.visitmaldives.com>.

## **Language**

[Return to top](#)

English is the business language in Maldives. The official language is Dhivehi.

## **Health**

[Return to top](#)

Maldives has limited medical facilities. There are two hospitals in Male': the government-owned Indira Gandhi Memorial Hospital (IGM) and the privately-owned Abduarahman Don Kaleyfan Hospital (ADK). ADK accepts some insurance plans, but IGM does not. The hospitals perform general, orthopedic and neurosurgery, but Maldives has no trauma units, and spinal surgery is not available. Persons needing treatments not offered in the Maldives require evacuation to the nearest adequate medical facility, such as in Singapore.

Two recompression chambers are available in the Maldives. One is on Bandos Island

(fifteen minutes by speedboat from Male') and the other is in Kuramathi (one hour by speed boat or about twenty minutes by air taxi from Male'.)

Information on vaccinations and other health precautions, such as safe food and water precautions and insect bite protection, may be obtained from the Centers for Disease Control and Prevention's hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747); fax 1-888-CDC-FAXX (1-888-232-3299), or via the CDC's web site at <http://wwwn.cdc.gov/travel/default.aspx>. For information about outbreaks of infectious diseases abroad consult the World Health Organization's (WHO) web site at <http://www.who.int/en>. Further health information for travelers is available at <http://www.who.int/ith>.

Medical Insurance: The Department of State strongly urges Americans to consult with their medical insurance company prior to traveling abroad to confirm whether their policy applies overseas and whether it will cover emergency expenses such as a medical evacuation. Please see our information on medical insurance overseas [http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1470.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1470.html).

### **SPECIAL CIRCUMSTANCES:**

During 2004-2005, there was some political unrest, particularly in the capital of Male'. Americans are cautioned against engaging in political activity in Maldives. While there have been many arrests for political activity, as of this date there has been little political violence in the Maldives. In September 2007, Maldives experienced its first-ever terrorist attack when a bomb exploded in the capital of Male', injuring twelve tourists, who appeared to be the target of the attack.

Religious Laws: Public observance of any religion other than Islam is prohibited. Religious gatherings such as Bible study groups are prohibited; however, a family unit may practice its religion, including Bible readings, within its residence. It is against the law to invite or encourage Maldivian citizens to attend these gatherings. Offenders may face jail sentences, expulsion and/or fines.

In the past, several non-Maldivian families resident in the Maldives, including some Americans, were expelled for allegedly engaging in religious proselytizing. Although Maldivian law prohibits importing "idols for religious worship," tourists traveling to the resort islands are generally allowed to bring in items and texts used for personal religious observances.

Currency: Credit cards are increasingly accepted outside large hotels and resorts; cash payment in dollars is accepted at most retail shops and restaurants and by taxi drivers. Please refer to our Customs Information to learn more about customs regulations.

### **Local Time, Business Hours, and Holidays**

[Return to top](#)

Maldives is 5 hours ahead of Greenwich Mean Time (GMT).

Business Hours: Government -- Sunday to Thursday 7:30 a.m. to 2:30 p.m.

Private sector hours are generally from Saturday to Thursday, 8:00 a.m. to 4:00 p.m.

Stores open around 9:00 a.m., close periodically throughout the day for prayer, and can stay open as late as 11:00 p.m.

### Public Holidays -2008

January 2008	1	New Year's Day
January	10	Islamic New Year
March	9	National Day
March	20	Prophet Muhammad's Birthday*
April	8	The day Maldives embraced Islam*
July	26	Independence Day*
July	27	Additional Independence Day Holiday
September	1	Start of Ramadan*
October	1	Eid al-Fitr (end of Ramadan)*
October	2-3	Ramadan Holidays
November	3	Victory Day*
November	11	Republic Day*
December	7	Hajj Day*
December	8	Al' h'aa Eid Day*
December	9-11	Eid Holidays
December	29	Islamic New Year

All holidays are observed by the government, while an asterisk indicates business holidays.

Note: Muslim festivals are timed according to local sightings of various phases of the moon and the dates given above are approximations. During the lunar month of Ramadan that precedes Eid al-Fitr, Muslims fast during the day and feast at night and normal business patterns may be interrupted. Eid al-Fitr and Hajj festivals may last from two days to ten days, depending on the region. These festivals and customs generally do not affect life on the resort islands.

### Web Resources

[Return to top](#)

Maldives Government Tourist Information [www.visitmaldives.com](http://www.visitmaldives.com)

Maldives Customs Service [www.customs.gov.mv](http://www.customs.gov.mv)

Department of Immigration and Emigration [www.immigration.gov.mv](http://www.immigration.gov.mv)

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 9: Contacts, Market Research, and Trade Events

[Contacts](#)

[Market Research](#)

[Trade Events](#)

### Contacts

[Return to top](#)

#### Government

President's Office	<a href="http://www.presidencymaldives.gov.mv">www.presidencymaldives.gov.mv</a>
Foreign Investment Services Bureau <a href="http://www.trademin.gov.mv">www.trademin.gov.mv</a>	<a href="http://www.investmaldives.org">www.investmaldives.org</a>
Ministry of Tourism and Civil Aviation	<a href="http://www.visitmaldives.com">www.visitmaldives.com</a>
Ministry of Planning and National Development	<a href="http://www.planning.gov.mv">www.planning.gov.mv</a>
Ministry of Finance & Treasury	<a href="http://www.finance.gov.mv">www.finance.gov.mv</a>
Maldives Monetary Authority	<a href="http://www.mma.gov.mv">www.mma.gov.mv</a>
Ministry of Economic Development and Trade	<a href="http://www.trademin.gov.mv">www.trademin.gov.mv</a>
Ministry of Foreign Affairs Tel: (960) 3323400 Fax: (960) 3323841 E-mail: <a href="mailto:admin@foreign.gov.mv">admin@foreign.gov.mv</a>	<a href="http://www.foreign.gov.mv">www.foreign.gov.mv</a>
Department of Civil Aviation	<a href="http://www.aviainfo.gov.mv">www.aviainfo.gov.mv</a>
Ministry of Human Resources, Employment & Labor	<a href="http://www.humanresources.gov.mv">www.humanresources.gov.mv</a>
Attorney General's Office <a href="http://www.agoffice.gov.mv/IndexEng.aspURL=PublicationEng.asp">www.agoffice.gov.mv/IndexEng.aspURL=PublicationEng.asp</a>	

#### Government Companies

State Trading Organization (STO)  
E-mail: [sto@dhivehinet.net.mv](mailto:sto@dhivehinet.net.mv)

Maldives Industries Fisheries Company Ltd. (MIFCO) [www.mifco.com.mv](http://www.mifco.com.mv)

Maldives National Ship Management Ltd  
E-mail: mnfl@dhivehinet.net.mv

Maldives Transport and Contracting Co. Ltd. [www.mtcc.com.mv](http://www.mtcc.com.mv)

Dhiraagu (Telephone Company) [www.dhiraagu.com.mv](http://www.dhiraagu.com.mv)

Trade Associations and Key Companies:

Maldives Association of Tourism Industry [www.maldivestourism.org.mv](http://www.maldivestourism.org.mv)

Maldives Tourism Promotion Board [www.visitmaldives.com](http://www.visitmaldives.com)

Maldives National Chamber of Commerce and Industry [www.mncci.com/home.php](http://www.mncci.com/home.php)

Villa Shipping and Trading Co Pvt Ltd [www.villahotels.com](http://www.villahotels.com)

Focus Computers Pvt Ltd [www.focuscomp.com/main.html](http://www.focuscomp.com/main.html)

Online Telephone Directory: [www.dhivehinet.net.mv/e-directory/](http://www.dhivehinet.net.mv/e-directory/)

### **Banks**

Hong Kong and Shanghai Banking Corporation  
Tel: (960) 3330770 Fax: (960) 3312072

Bank of Maldives  
Tel: (960) 3322948 Fax: (960) 3324862

Bank of Ceylon  
Tel: (960) 3314764 Fax: (960) 3320575

State Bank of India  
Tel: (960) 3320316 Fax: (960) 3323153

Habib Bank Ltd  
Tel: (960) 3322051 Fax: (960) 3326791

### Accounting/Consulting Firms

KPMG Maldives [www.lk.kpmg.com/index.html](http://www.lk.kpmg.com/index.html)  
Tel: (960) 3324856, 3310421, 3310422 Fax: (960) 3323175  
E-mail: frt@kpmg.com.mv

Ernst & Young [www.ey.com](http://www.ey.com)  
Tel: (960) 3326798 Fax: (960) 3320748

PricewaterhouseCoopers  
Tel: (960) 3318342 Fax: (960) 3314601

E-mail: [pwc@dhivehinet.com.mv](mailto:pwc@dhivehinet.com.mv)

## **International Agencies**

United Nations

[www.mv.undp.org/](http://www.mv.undp.org/)

## **U.S. Government Contacts based in Sri Lanka**

Robert Gabor

Head of the Economic/Commercial Section

US Embassy, 210 Galle Road, Colombo 3, Sri Lanka

Phone: 94-11-2498500

Fax: 94-11-243-7345

E-mail: [commercialcolombo@state.gov](mailto:commercialcolombo@state.gov)

<http://colombo.usembassy.gov/>

Richard Merrin

Commercial Attaché and Economic Officer

US Embassy, 210 Galle Road, Colombo 3, Sri Lanka

Tel: 94-11-2498500

Fax: 94-11-243-7345

E-mail: [commercialcolombo@state.gov](mailto:commercialcolombo@state.gov)

<http://colombo.usembassy.gov/>

## **Market Research**

[Return to top](#)

To view market research reports produced by the U.S. Commercial Service, please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

## **Trade Events**

[Return to top](#)

The U.S. Embassy's Commercial Section is planning to host a trade pavilion in conjunction with Maldives' annual Hotel and Trade Exhibition in October 2008. U.S. products and services that meet the demands of a small island nation, and especially for resorts, will be featured, including alternative energy generation, waste management, water treatment/desalinization, telecom, distance learning, management software, air and water transportation, water sports, aquaculture, fish processing and high tech agriculture. Interested U.S. companies are invited to send catalogs or samples for display at the trade exhibition. A limited number of booths will be available.

For further information please contact the US Embassy: [commercialcolombo@state.gov](mailto:commercialcolombo@state.gov)

The following exhibitions are planned in Maldives in 2008

Male International Boat Show

April 2008

ABEX: Architectural and Building Exhibition

May 2008

Hotel Asia Exhibition and Culinary Challenge

June 2008

Hotel Asia Exhibition and Culinary Challenge is held in even years in Male', Maldives. The exhibition provides an opportunity to international suppliers to the hospitality industry to display their products and services. The last exhibition was in 2006.

Note: For further information on these trade shows please contact Lanka Exhibition and Conference Services, <http://www.saexhibitions.com/>

Maldives Hotel and Trade Exhibition 2008

October 2008

The Maldives National Chamber of Commerce and Industry hosts annual trade shows. For further information please contact:

Maldives National Chamber of Commerce and Industry  
H. Zoneriya, Boduthakurufaanu Hingun  
Male', Republic of Maldives  
Tel: (960) 310234  
Fax: (960) 315035  
E-mail: [mncci@dhivenet.net.mv](mailto:mncci@dhivenet.net.mv)  
Website: [www.mncci.com.mv](http://www.mncci.com.mv)

Please click on the link below for information on other upcoming trade events.

<http://www.export.gov/tradeevents.html>

U.S. Embassy Colombo [http://colombo.usembassy.gov/commercial\\_section.html](http://colombo.usembassy.gov/commercial_section.html)

[Return to table of contents](#)

[Return to table of contents](#)

## Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click below or contact your nearest Export Assistance Center.:

U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: <http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

The U.S. Embassy Colombo's Commercial Section offers customized solutions to help your business enter and succeed in the Maldivian market. A fee is levied for most of the commercial services offered by the Embassy. Services for U.S. Firms include

- Gold Key Services (GKS): offered to US Companies visiting Maldives. We can set up meetings and provide market information and other assistance.
- International Partner Search (IPS): identifies potential business partners in Maldives.
- Trade and Catalog shows
- Advocacy: provides advocacy support on behalf of US companies for government tenders/contracts.
- Information and support: The Economic/Commercial Section is a source for information regarding economic situation.

For additional information, please go to our website: <http://maldives.usvpp.gov/>