# CLAWS Newsletter





The Perimeter Watch: Sri Lanka & Maldives | Volume 1 | No 7

by Diksha Jain

#### EXTERNAL AFFAIRS

#### Sri Lanka

#### Defence Secretary Meets with Pakistan's Military Leadership

#### (High Commission of Sri Lanka in Pakistan, May 02, 2025)

On April 29, as part of the ongoing defence dialogue between Sri Lanka and Pakistan, Defence Secretary Air Vice Marshal Sampath Thuyacontha (Retd) held sideline meetings with General Asim Munir, Chief of the Army Staff of Pakistan, and Admiral Naveed Ashraf, Chief of the Naval Staff of Pakistan.

He was accompanied by Commander of the Navy Vice Admiral Kanchana Banagoda, Additional Secretary (Defence) Jayantha Edirisinghe, Chief of Staff of the Sri Lanka Army Major General Chandana Wickramasinghe, Chief of Staff of the Sri Lanka Air Force Air Vice Marshal Lasitha Sumanaweera, and Sri Lanka's Defence Advisor to Pakistan Brigadier Kaminda Silva.

## Japanese Defence Minister visits Sri Lanka to strengthen bilateral defence collaboration

#### (Ministry of Defence, May 04, 2025)

On May 03, 2025, Japanese Minister of Defence Hon. Nakatani Gen arrived in Sri Lanka marking a high-level visit aimed at strengthening diplomatic ties and advancing defence cooperation between the two nations. Accompanied by Japanese Ambassador H.E. Akio Isomata and Vice Minister for International Affairs Hon. Kano Koji, Minister Nakatani was formally received at the Ministry of Defence in Sri Jayewardenepura, Kotte on May 04, 2025, with a guard of honour by the Sri Lanka Army. Discussions centred on expanding bilateral defence relations, particularly in areas such as disaster management, maritime security, and curbing transnational threats, including human trafficking and non-state maritime actors.

Both countries reaffirmed their shared commitment to a secure and stable Indian Ocean region, underpinned by peace and cooperative security. Sri Lankan officials expressed appreciation for Japan's ongoing support in enhancing maritime surveillance, coast guard capabilities, and training. Minister Nakatani, in turn, emphasised Japan's interest in deepening collaboration in areas such as cyber security, intelligence sharing, and hazardous materials response.

#### Pakistan NDU Delegation Visits Sri Lanka's Ministry of Defence

#### (Ministry of Defence, May 05, 2025)

On May 05, 2025, a delegation from Pakistan's National Defence University (NDU), led by Commodore Muhammad Ali, visited Sri Lanka's Ministry of Defence at the Defence Headquarters Complex in Sri Jayewardenepura, Kotte. During the visit, the delegation held a cordial meeting with Defence Secretary Air Vice Marshal Sampath Thuyacontha (Retd), where discussions focused on areas of mutual interest, particularly in defence cooperation and strategic studies.

## Navy's EOD & CBRNE Experts Hone Tactics in Trincomalee

#### (Ministry of Defence, May 05, 2025)

A total of 24 personnel from the Sri Lanka Navy's Special Boat Squadron (SBS) and three members from the United States Indo-Pacific Command (INDOPACOM) participated in a specialised training program on Explosive Ordnance Disposal and Chemical, Biological, Radiological, Nuclear and Explosive (EOD & CBRNE). The program aimed to enhance operational capabilities and promote knowledge sharing in EOD and CBRNE response techniques, according to Navy media.

Course 01/2025 was successfully conducted from April 21 to May 01, 2025, at the SBS Headquarters in Trincomalee. The certificate awarding ceremony was held under the patronage of the Deputy Area Commander of the Eastern Naval Area. The training emphasised essential skills required to detect, assess, and neutralise hazardous threats, thereby strengthening readiness to address complex security scenarios.

## Sri Lanka Discusses Port and Airport Preparedness Amid India-Pakistan Tensions (*Lanka News Web*, *May* 13, 2025)

Transport, Highways, Ports and Civil Aviation Minister Bimal Ratnayake recently led a highlevel discussion on the potential impact of escalating India-Pakistan tensions and wider global political shifts on Sri Lanka's port and airport operations. The meeting highlighted a notable increase in shipping requests for docking at Colombo Port, prompting an assessment of the country's capacity to manage additional vessel traffic without compromising existing operations. Strategic proposals to improve port efficiency and responsiveness were also reviewed. He emphasised the need for foresight and proactive planning in response to current geopolitical developments, urging relevant authorities to treat the situation as an opportunity to strengthen Sri Lanka's position as a key logistics hub. He underscored the importance of ensuring that port and airport infrastructure remains resilient, adaptable, and ready to meet rising logistical demands.

## US \$ 62 million Indian grant on KKS port Sri Lanka will decide on feasibility of project only

) WA I

#### (Daily Mirror, May 14, 2025)

Sri Lanka announced that it would decide on the acceptance of a USD 62 million grant offered by India for the development of Kankesanthurai Port (KKS) based solely on the business feasibility of the project, said Deputy Minister of Ports and Civil Aviation Janitha Kodituwakku. India had already proposed the grant to develop the strategically located northern port. The Deputy Minister stated that the Sri Lanka Ports Authority was conducting a feasibility study on the project. India has been seeking to develop various connectivity projects in Sri Lanka. The two sides had already exchanged MoUs for the interconnection of power grids and the establishment of a multi-product petroleum pipeline.

### USD 930.8 Million Debt Restructuring Deal Signed Between Sri Lanka and India (News First, May 15, 2025)

The Government of Sri Lanka (GoSL) signed Bilateral Amendatory Agreements with the Export-Import Bank (EXIM) of India, marking a significant milestone in the country's External Debt Restructuring Process. These agreements related to Lines of Credit and Buyer's Credit Loan Agreements formed part of Sri Lanka's ongoing efforts to restructure its external debt. According to the Finance Ministry, the Government of India played a pivotal role in spearheading this process, co-chairing the Official Creditor Committee alongside France and Japan.

The agreements, signed on March 25 and April 3, 2025, covered Lines of Credit and Buyer's Credit Loan Agreements totaling approximately USD 930.8 million. India's leadership, commitment, and constructive engagement—along with its emergency assistance at the height of Sri Lanka's economic crisis—were credited by the Finance Ministry as instrumental in driving economic recovery and advancing efforts toward debt sustainability.

#### Maldives

#### Maldives signs with Qatari company for USD 8.8B financial free zone

#### (The English Sun, May 05, 2025)

The Maldivian government has signed an \$8.8 million agreement with Qatari royal Sheikh Nayef Bin Eid Al Thani's MBS Global Investments to develop the Maldives International Financial Centre (MIFC) in the greater Malé area. The agreement, signed on May 4, 2025, at Kurumba Maldives, aims to create a wholly sustainable financial free zone that will attract global financial institutions, fintech companies, and digital nomads.

President Muizzu hailed MIFC as a symbol of economic resilience and a transformative project that will diversify the Maldivian economy beyond tourism. The development is expected to be completed by 2030 and is projected to generate over \$1 billion in revenue within its first five years. With its futuristic infrastructure, MIFC aims to position Malé as the premier financial and business destination in the Indian Ocean, contributing significantly to the country's GDP and long-term economic vision.

#### INS Sharda Arrives Maafilaafushi, Maldives for HADR Exercise

#### (PIB, May 05, 2025)

In line with India's commitment to regional cooperation, INS Sharda had arrived at Maafilaafushi Atoll for a Humanitarian Assistance and Disaster Relief (HADR) exercise with the Maldives National Defence Force (MNDF), which was held from 4 to 10 May 2025. The week-long engagement focused on disaster response coordination, search and rescue operations, medical assistance, logistical support, joint drills, and community engagement in the aftermath of a simulated natural disaster. The exercise enhanced interoperability and strengthened bilateral readiness to respond effectively to humanitarian emergencies in the region.

### Indian Naval Ship Sagar Bolsters Maritime Ties with Maldives in Historic Indian Ocean Mission

#### (ETruth MV, May 07, 2025)

On May 06, 2025, the Indian Naval Ship INS Sunaina, operating as the Indian Ocean Ship (IOS) *Sagar*, arrived in Malé as part of a broader Indian Navy initiative to promote security and cooperation across the Indian Ocean Region. The ship was warmly received by the

Maldives Coast Guard, with Brigadier General Mohammed Saleem, Commander of the Coast Guard, welcoming the multinational crew.

The contingent comprised 44 personnel from 10 Indian Ocean countries: India, the Maldives, Mauritius, Mozambique, Madagascar, Sri Lanka, the Seychelles, the Comoros, Kenya, and Tanzania. Notably, three crew members and one officer were from the Maldives. During its two-day port call, the crew engaged in professional exchanges with Maldivian counterparts and participated in community outreach initiatives, departing for Kochi, India, on May 08, 2025.

## REARE Defence pacts with India being amended: Maldives

#### (The Tribune, May 07, 2025)

On May 06, 2025, Defence Minister Mohamed Ghassan Maumoon informed parliament that the government has initiated amending existing defence agreements with India to ensure they do not compromise the country's sovereignty and independence. He noted that four of over 100 bilateral agreements with India fall under the Defence Ministry's oversight. These were signed over decades of close cooperation but are now being revised following a political shift under President Mohamed Muizzu's administration.

One of the key pacts under review involves the Indian-assisted development of a naval dockyard at Uthuru Thilafalhu, which had earlier drawn criticism for allegedly conflicting with national policy. The minister said such provisions are being amended, though he declined to share specifics due to confidentiality clauses. However, he indicated he would disclose the details to the Parliament's Committee on National Security Services if formally requested.

## Strengthening Maritime Cooperation: Japan Donates Harbour Craft Vessels to Maldives **Coast Guard**

#### (Maaldif, May 10, 2025)

On May 07, 2025, an Exchange of Notes was signed between Maldives and Japan to provide two fully equipped harbour craft vessels to the Maldives National Defence Force (MNDF) Coast Guard under Japan's Economic and Social Development Programme. The vessels aim to strengthen MNDF's maritime security operations, including search and rescue, law enforcement, and coastal protection.

The agreement, signed by Foreign Minister Dr. Abdulla Khaleel and Japanese Ambassador H.E. Ishigami Rumiko, includes grant assistance of JPY 400 million (approx. USD 2.8 million). Minister Khaleel hailed the move as a symbol of the "shared commitment" to Indo-Pacific peace and stability and welcomed Japan's decision to appoint a Defence Attaché to the Maldives to deepen bilateral defence cooperation.

#### Maldives and Malaysia Chart a New Course for Economic Ties

#### (<u>ETruth MV</u>, May 11, 2025)

A Memorandum of Understanding (MoU) between the Maldives Ministry of Economic Development and Trade and Malaysia's National Chamber of Commerce and Industry was signed at the inaugural Maldives–Malaysia Business Forum. The MoU aims to boost private sector engagement and investment flows between the two nations. These reforms, paired with new incentives in Special Economic Zones, are designed to attract investment in tourism, real estate, logistics, renewable energy, and mariculture. The MoU and investment law amendments mark a significant shift toward economic diversification under Maldives' Vision 2040, with Malaysia positioned as a key strategic partner.

#### India postpones USD 50 million T-bill repayment for Maldives

#### (<u>The Edition</u>, May 12, 2025)

India has extended the repayment deadline for a USD 50 million Treasury bill (T-bill) issued by the Maldives to the State Bank of India (SBI), originally due in May 2025. This T-bill is part of a USD 200 million budget support package extended in 2019, which included USD 50 million in grant aid and USD 150 million in T-bills. According to Maldivian Foreign Minister Dr. Abdulla Khaleel, the T-bill due in May 2023 had already been extended once, and it has now been rolled over for another year.

The Indian High Commission confirmed that the extension comes without any additional interest. India had previously postponed repayment of another USD 50 million T-bill in September 2024, which is now due in September 2025. In addition to T-bill deferrals, India has provided currency swap support to Maldives, including a USD 400 million swap line and a MVR 30 billion facility, formalized during President Dr. Mohamed Muizzu's state visit to India in October 2024.

#### Foreign Minister Dr Khaleel on an official visit to Kuwait

#### (<u>MMTV</u>, May 13, 2025)

Maldivian Foreign Minister Dr Abdulla Khaleel visited Kuwait at the invitation of Kuwaiti Foreign Minister Abdullah Ali Al-Yahya. The visit aimed to deepen cooperation across political, economic, and cultural sectors, reaffirming the strong bilateral relationship between the two countries. Dr Khaleel held talks with Minister Al-Yahya to review ongoing collaboration and explore new areas of partnership.

He also met with senior Kuwaiti officials, including the Ministers of Commerce and Industry, Investment, and Finance, to discuss trade, investment, and enhanced economic cooperation. Kuwait remains a key development partner for the Maldives, notably supporting major infrastructure projects through the Kuwait Fund for Arab Economic Development (KFAED), including the expansion of Velana International Airport and a 2024 loan facility for the Small Island Hospital Development Project.

#### INTERNAL AFFAIRS

#### Sri Lanka

#### Sri Lanka CERT Issues Cybersecurity Alert Amid Regional Concerns

#### (Lanka Business Online, May 09, 2025)

The Sri Lanka Computer Emergency Readiness Team (CERT) issued an urgent advisory urging all public and private sector organisations within the nation to elevate their cybersecurity vigilance and implement necessary precautionary measures. While Sri Lanka CERT explicitly stated that there was no direct threat to the country at that time, the notification served as a proactive measure to safeguard the national digital ecosystem. The organisation emphasised the importance of remaining vigilant and prepared in the face of evolving cyber threats in the surrounding region. Organisations requiring technical assistance or wishing to report any cybersecurity incidents were advised to contact Sri Lanka CERT.

#### Rs. 15 Bn project assisted through WB funding

#### (Daily News, May 12, 2025)

The Government announced plans to complete Sri Lanka's first multimodal transport hub, then under construction in Kandy, by 2027. This state-of-the-art project, considered a turning point in the country's transport sector, was expected to cost around Rs. 15 billion. The Deputy Minister stated that the Multimodal Transport Hub would integrate bus and railway services, providing direct and convenient access to the Kandy National Hospital. The hub was planned to include bus parking facilities, a modern shopping complex, retail outlets, restaurants, banks, and other amenities. Dr. Gunasena emphasised that no city in Sri Lanka had a transport terminal of this scale and design. He further added that the project was funded through a long-term loan from the World Bank, as well as contributions from the Sri Lankan Government.

#### Maldives

Tradian Launched: Central Digital Gateway to Boost Trade Efficiency and Support Business Growth

#### (Maaldif, May 04, 2025)

The Maldives has officially launched 'Tradian', a unified digital platform designed to transform and streamline import and export processes, thereby enhancing efficiency and transparency across the trade sector. Fully operational as of June 01, 2025, Tradian will become the exclusive portal for all trade-related transactions, including documentation, cargo manifests, vessel details (ETA/ETD), and the registration of shipping agents and freight forwarders.

The Maldives Customs Service and Maldives Ports Limited have begun migrating key services, with a grace period until May 31, 2025 for businesses to transition. Managed by TradeNet Maldives Corporation Ltd., Tradian reflects input from industry stakeholders and is expected to reduce bureaucratic delays, cut paperwork, and promote a more business-friendly trade environment. The digital rollout strengthens the Maldives' appeal to foreign investors and positions the country as a more efficient and connected trade hub in the Indian Ocean.

#### Primary objective of Maldives 2.0 is to eliminate corruption: President

#### (The President's Office, May 08, 2025

President Dr Mohamed Muizzu has announced that the primary goal of 'Maldives 2.0', the government's flagship digitalisation initiative, is to eliminate corruption by automating public services and enhancing transparency. The initiative would integrate government institutions, service providers, and the private sector through a unified digital network. Draft legislation to support the programme is currently underway.

The four-year project is being implemented in partnership with Estonia, with Estonian digital pioneers participating in the Maldives Digital Transformation Summit, which marks the official launch. President Muizzu emphasised the importance of public buy-in for successful reform and noted that the government aims to achieve, in four years, what Estonia did in 25. By 2030, 15% of national production is expected to stem from the digital economy.

#### Gov't Plans to Add 10 More Vessels to Sea Ambulance Fleet

#### (<u>PSM News</u>, May 13, 2025)

The Government of Maldives is in the process of adding 10 new vessels to its sea ambulance fleet, Defence Minister Mohamed Ghassan Maumoon informed Parliament. Responding to questions from lawmakers, the Minister acknowledged ongoing service delays due to shortages and vessel breakdowns but reaffirmed the Maldives National Defence Force (MNDF)'s commitment to nationwide emergency response. He said the Defence Ministry is actively working to procure 10 speedboats this year to improve coverage and reliability.

The sea ambulance service operates 24/7 and remains a priority initiative under the MNDF's healthcare support efforts. In parallel, the government's air ambulance service, launched last year, has conducted over 700 flights, evacuating more than 900 patients across the country in its first year of operation.

## The President's Office commences the "Executive Development Program 2025-2027" (*The President's Office*, May 14, 2025)

The President's Office has launched the Executive Development Program (EDP) 2025–2027, aimed at strengthening the performance of senior government executives and political appointees. The initiative is led by the Political Appointees Performance Management (PAPM) Unit in collaboration with the Civil Service Training Institute (CSTI) and the Foreign Service Institute of Maldives (FOSIM). The EDP is designed as a capacity-building programme focused on enhancing managerial skills, organisational effectiveness, inter-agency coordination, and the adoption of best practices. It will be delivered through interactive lectures, seminars, workshops, and expert-led dialogues over the course of the two years

#### About the Author

C

Diksha Jain is a dedicated scholar in Defence and Strategic Studies, with a strong academic foundation in International Relations. She completed her master's degree in Defence and Strategic Studies, focusing on areas such as maritime security and the strategic importance of the Indian Ocean Region. Prior to this, she earned her bachelor's degree in International Relations, where she developed a comprehensive understanding of global politics and regional dynamics.

As a Research Assistant at the Centre for Land Warfare Studies (CLAWS), Diksha explores critical issues related to defence strategy and maritime security. Her work focuses on the Indian Ocean Region, examining its geopolitical challenges and their implications for regional stability.

All Rights Reserved 2023 Centre for Land Warfare Studies (CLAWS)

No part of this publication may be reproduced, copied, archived, retained or transmitted through print, speech or electronic media without prior written approval from C L A W S The views expressed and suggestions made in the article are solely of the author in his personal capacity and do not have any official endorsement. Attributability of the contents lies purely with author.