

Introduction

Maldives is an island nation in the Indian Ocean formed by a chain of 1,900 coral islands grouped into 26 atolls southwest of Sri Lanka and India. The archipelago has a strategic location astride and along major sea lanes in Indian Ocean. The government system is a republic; the chief of state and head of government is the president. Maldives has a mixed economic system which includes a variety of business and fiscal freedom, combined with centralized economic planning and government regulation. Maldives is a member of the South Asian Association for Regional Cooperation (SAARC).



Location: Southern Asia

Capital City: Male (+5 GMT)

Chief of State: President Ibrahim Mohamed Solih

Head of Govt.: President Ibrahim Mohamed Solih

Currency: Maldivian Rufiyaa (MVR)

Major Languages: <p>Dhivehi (official, dialect of Sinhala, script derived from Arabic), English (spoken by most government officials)</p>

Primary Religions: <p>Sunni Muslim (official)</p>

Calling Code: 960

Voltage: 230

Key Websites

Main Government Page: presidencymaldives.gov.mv

Commerce Ministry: trade.gov.mv

Investment Promotion Agency: investmaldives.gov.mv

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
GDP, PPP (current international \$):	\$7.28 billion (2017)
GDP growth (annual %):	6.91% (2017)
GDP per capita, PPP (current international \$):	\$16,688.21 (2017)
External debt stocks, total (DOD, current US\$):	\$1,365,368,101.10 (2017)
Manufacturing, value added (% of GDP):	2.18% (2017)
Current account balance (BoP, current US\$):	-\$1.07 billion (2017)
Inflation, consumer prices (annual %):	2.70% (2017)
Labor force, total:	222,333 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	6.07% (2018)
Imports of goods and services (current US\$):	\$3.52 billion (2017)
Exports of goods and services (current US\$):	\$3.46 billion (2017)

GDP Composition %

Agriculture Services Industry Manufacturing

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**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	112 / 178
Index of Economic Freedom	140 / 179
International Logistics Performance Index (LPI)	86 / 160
KOF Index of Globalization	155 / 185

Risk Assessment (Provided by Coface)

Country rating: D - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Growing bilateral relations with China and Saudi Arabia
- Growth of tourist activity on uninhabited islands
- Airport infrastructure
- Support from the World Bank and the Asian Development Bank (ADB)

Weaknesses

- Dependence on the international economy due to the scale of tourism in the national economy
- Insularity
- Chronic budget deficit and growing dynamic of public debt
- Political instability
- Vulnerability to natural disasters and the negative effects of climate change

U.S. Embassy

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