



SHC LAW & TAX

SUMMARY OF PRESIDENT DR. MOHAMED MUIZZU'S PRESS BRIEFING DATED 03rd MAY 2025

Key Highlights

15th May 2025

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Introduction

On 3rd May 2025, President Dr. Mohamed Muizzu made history by holding a 15-hour press conference to commemorate the World Press Freedom Day. The press conference began with a presentation by the President who outlined key presidential pledges, as well as various projects that are ongoing and planned for the future. The presentation also provided sector related updates on different industries as summarized in this information memorandum below.

KEY SUMMARY NOTES OF PRESIDENT DR. MOHAMED MUIZZU'S PRESS BRIEFING DATED 03rd MAY 2025

<i>KEY TOPICS</i>	<i>HIGHLIGHTS</i>
Presidential Pledges	<ul style="list-style-type: none">• At a press conference President Dr Mohamed Muizzu announced an ambitious plan comprising a remarkable 2,130 projects, aimed at fulfilling his commitments to the Maldivian people. This announcement is part of his ongoing efforts to address pressing national challenges and enhance the quality of life across the country.• The President outlined the wide-ranging nature of these infrastructural and social initiatives, categorizing his pledges as follows: 289 commitments linked to his original manifesto, 1,051 made during his presidential campaign, 484 pledges made during island visits, and a further 305 projects announced at various public events.
Foreign Policy Matters	<ul style="list-style-type: none">• The President highlighted a “Maldives First Policy” underscoring the importance of national unity, independence and sovereignty.• The President emphasized that whilst the Maldives aims to balance relations with all countries, the administration strongly stands by the decision made on the 15th of April 2025 to ban Israeli passport holders from entering the country, a decision made in solidarity with the Palestinian people with respect to the ongoing conflict in Gaza.

<i>KEY TOPICS</i>	<i>HIGHLIGHTS</i>
Financial Standing	<ul style="list-style-type: none">• The President announced that as of April 2025, the Maldives has repaid foreign debt obligations equivalent to approximately \$162,000,000 (one hundred and sixty-two million United States Dollars).• It was also announced that between 1st January 2025 – 30th April 2025, the Maldives generated approximately \$811,000,000 (eight hundred and eleven million United States Dollars) in revenue as well as free aid.• As of April 2025, the Maldives has a budget surplus equivalent to \$123,300,000 (one hundred and twenty-three million three hundred thousand United States Dollars) and a primary balance equivalent to \$227,000,000 (two hundred and twenty-seven United States Dollars).• The Government aims to reduce its overall debt by \$610,000,000 (six hundred and ten million United States Dollars).• The President announced that since the ratification of the Foreign Currency Act (32/2024), banks have exchanged approximately \$214,000,000 (two hundred and fourteen million United States Dollars), helping stabilize the nation's foreign currency reserves.

<i>KEY TOPICS</i>	<i>HIGHLIGHTS</i>
Tourism Indicators and Future Plans	<ul style="list-style-type: none">• The President announced that as of April 2025, the Maldives recorded 823,658 (eight hundred and twenty-three thousand six hundred and fifty-eight) tourist arrivals which is a 7.4% increase compared to the same period in 2024.• The President also emphasized that the Government is commitment to improve connectivity in the country by introducing helicopter services as well as to increase the operations of Maldivian, the country's national airline.• The presentation on the tourism sector also highlighted the Government's aim to develop tourism in the Addu City Sector (South of Maldives) specifically pertaining to the "Addu Asseyri Tourism Development Plan".• The five-year destination development strategy is crafted to not only enhance tourism in the region but also to make a substantial contribution to the local economy of Addu City.• The plan includes the establishment of 6000 tourist beds, the creation of 10000 jobs, the revitalisation of Shangri-La operations, and the establishment of a seaplane hub.• Furthermore, the plan outlines a range of developments, such as the creation of a cultural village, wellness zones, marine protected areas, and a hospitality school.

KEY TOPICS	HIGHLIGHTS
	<ul style="list-style-type: none">• The President also announced that the Government will take the initiative to attract tourism to investments to five underdeveloped atolls (Haa Alif, Haa Dhaal, Shaviyani, Thaa and Laamu Atolls) which are the least developed tourist areas in the Maldives.• The development plan would include introducing concessions with respect to land acquisition costs and import duties to incentivize potential investors.• The President also discussed Vision 2040 outlining the Maldives' commitment to becoming a fully developed nation by 2040. This includes investing in renewable energy, aiming for net-zero emissions by 2030, and developing eco-friendly infrastructure.• In discussing the Government's Eco tourism plans, it was announced the proposals have already been submitted to expand eco-tourism in the following islands<ul style="list-style-type: none">- HA. Baarah- Sh, Farukolhu Funadhoo- Noonu Kendhikulhudhoo- Sh. Funadhoo

KEY TOPICS	HIGHLIGHTS
	<ul style="list-style-type: none">- Haa Dhaalu Keylakun• In line with the Government's plan to develop a more environmentally sustainable nation, plans were announced regarding the development of economic zones in Rasmale' and Lammu Atoll.
Environment related developments	<ul style="list-style-type: none">• The President announced that the Government has initiated a significant renewable energy project known as Project Solar City, aiming to bolster the Maldives' commitment to sustainable energy. This ambitious endeavor involves the development of a 100-megawatt floating solar photovoltaic (PV) farm in a lagoon approximately 4–5 kilometers from Hulhumalé. The project is a collaborative effort with Canadian firm Abraxas Power Corp, and it includes battery storage systems and a submarine cable to integrate with Hulhumalé's main power grid solar.• Project Solar City holds the distinction of being the first initiative under the Maldives' Special Economic Zones (SEZ) Act, which provides regulatory relaxations and incentives to attract foreign investment in key sectors. The total investment for this project is estimated at USD 187 million, with over USD 100 million dedicated specifically to the renewable energy components. The project is expected to be operational by 2027, aligning with the government's goal to generate 33% of the nation's electricity from renewable sources by 2028.

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	<ul style="list-style-type: none">In addition to Project Solar City, President Muizzu's Administration is advancing other renewable energy initiatives. Notably, the island of Vaadhoo in Raa Atoll is set to become the Maldives's first fully solar-powered island by the end of 2025. This pilot project aims to serve as a model for similar transitions across other inhabited islands.
Infrastructure Developments	<ul style="list-style-type: none">The President announced that the Government aims to have the new international passenger terminal at Velana International Airport opened by October 2025.It was also announced that international airports will be built at Kahdhoo, Kulhudhufushi as well as Huvadhoo, and Lammu Atoll respectively.The President outlined that the Government's current priority is to complete the Addu City-Gan Airport and the Hanimaadhoo-Gan Airport by the end of 2025.The President also announced that the Greater Male' Connectivity Project (GMCP) is nearing completion and that the feasibility report for the Thilafushi-Giraavaru bridge has now been completed by the Asia Infrastructure Investment Bank.

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Constitutional Reforms	<ul style="list-style-type: none">The President announced plans to propose constitutional amendments, including mechanisms for recalling Members of Parliament, abolishing atoll councils, holding concurrent presidential and parliamentary elections, and introducing preferential or ranked choice voting to avoid runoff elections.In a preferential voting system, voters rank candidates in order of preference. If no candidate secures an outright majority of first-choice votes, the candidate with the fewest votes is eliminated, and their votes are redistributed based on the next preferences indicated by voters. This process continues until a candidate achieves a majority.President Muizzu stated that the current two-round system is inefficient and financially burdensome. For instance, the 2023 presidential election required a runoff, incurring significant costs. The President argued that by adopting a preferential system, the Maldives could determine a winner in a single round, potentially saving approximately \$ 8,000,000 (eight million United States Dollars).The government plans to hold a public referendum on the proposed electoral reform within the next year.

Questions on the press briefing? Reach out to the author::



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