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Maldives: ACC Report on GMR Deal and other Issues

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The GMR Deal:

On 17th of June and three years after the case was filed, the Anti Corruption Commission of Maldives concluded that no corruption was involved in the bid evaluation phase of the GMR deal of the international airport at Male.

According to the report, GMR had offered the highest concession fee and scored the highest marks in the bid to develop and operate the airport for 25 years. The report also said records exist that a concession agreement was signed between the government, GMR consortium and Maldives Airports Company Limited (MACL) which ruled out any grounds for corruption.

The ACC further said that since the agreement was signed before the amendments to the Financial Act passed by the Parliament were gazetted, there was no ground to declare it as corruption.

In November last, the Maldives government prematurely terminated the 25-year agreement with GMR and took over the operations on 7 December.

More than anyone else it was former President Nasheed who sighed a sense of relief on the outcome of the investigation. It was in his time that the deal was signed. He said "I had personally kept a close eye on the entire process. Also the IFC and the World Bank were consulted on every step . . . So the ACC report has given us great satisfaction."

Nasheed reiterated that the airport generated more revenue for government under the GMR. His party sources also declared that they would still look to privatisation of the airports and perhaps renegotiate with GMR itself, if it comes to power.

The ACC itself declared that its report would not affect the arbitration case over the terminated agreement that is going on in Singapore. The Government now on the backfoot is trying to maintain that “there is no contradiction between the government’s decision and the ACC report.” This perhaps is the correct position as the termination was not on grounds of corruption in the deal.

The arbitration case is likely to take many years and Maldives will not be in a position to pay this enormous amount in case the proceedings go against the Government. There are a few points that need to be understood in the case.

* There was no need for India to have taken up the case of GMR almost officially. In the end India was rebuffed by the Waheed government who despite promising to review the case went ahead in cancelling the contract.

* An attempt was made later even in the first week of June when former President Gayoom visited India to prevail upon him to review the cancellation. It was too late then and it was also known that the previous cancellation had Gayoom’s blessings. Gayoom on his return made some weak comments that the Waheed Government should have consulted all parties before taking the decision, although he was himself privy to that decision. During his earlier visit, Gayoom was met by the GMR Chief and the latter was assured that the case will be reviewed but nothing was done.

* The deal itself although legally correct gave the impression to many in Maldives that the GMR giant was out to exploit the dire economic situation of the country. A contract for running the airport for 25 long years will be seen as a big burden for a small and economically backward country like Maldives. India would also be sending a wrong signal if it has to take up strongly on such issues which would affect the people to people relations between the two countries. One can see what is happening to China in Myanmar.

Police Brutality on the day after the “coup”:

Another issue that should be gratifying to Nasheed is the result of the investigation on the incidents of police brutality on the innocent demonstrators on the day following the coup. Early in June, the Police Integrity Commission concluded its investigations into incidents of police brutality against the demonstrators of the MDP by submitting six cases for prosecution. It may be recalled that the CoNI report had also recommended prompt investigation into police brutality.

The disciplinary board of Maldives Post Services has taken action against only one SO (police officers of special operations command) while action against the five others have been kept on hold until the court cases against them reach a “definitive” conclusion.

The point remains that the Police acted brutally and there should be many more cases of police brutality than the six investigated. The report of Ahmed Naish of 19th June in Minivan news gives more details of the police brutality not only on senior members of the MDP but also on those who had gathered at the hospital to see their injured relatives!

Presidential Elections:

The configuration of various parties in the coming Presidential elections is getting clearer. The DRP under Thasmeen Ali which was nursing its hopes of standing for elections independently has now decided to join hands with the President’s party GIP. Thasmeen Ali will be the running mate for president Waheed. Thus, the combination will be of the GIP of the president, DRP , DQP and the Adhaalat.

Gasim Ibrahim of Jumhooree appears to be most active and insiders say that the fight for the presidency will ultimately be between Nasheed and Gasim Ibrahim. Gasim is a very successful business man and perhaps has the money and muscle power. But it is annoying to see him use the “Islamic card” even now. In a public meeting on 5th June, Gasim accused Nasheed of spreading secularism and atheism in Maldives.

It looks that, Nasheed, Abdulla Yameen, Gasim Ibrahim and Waheed (the current president) would be the four contenders in the first round. Nasheed claims that he would get 57 percent of the votes in the first round itself. It is a tall order and we will have to wait and see what happens. There is still no firm view whether he would be allowed to contest and that too when the current trend indicates that Nasheed will get more votes than others in the first round.

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