

Maldives unveils USD 1b airport expansion plan to boost tourism

- A Monitor Report

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Malé : The Maldives has unveiled a USD 1 billion expansion plan of Velana International Airport, aiming to double passenger capacity and attract more visitors from Asia and the Middle East.

The project, nearly a decade in the making and built largely by Saudi and Chinese firms, includes a new 3,400m runway and terminal opened on July 26, 2025, with full operations set for October.

Tourism drives 70 percent of the Maldives' GDP and supports half the population. In 2024, visitor arrivals hit a record two million, with China, Germany, Italy, the UK, and Russia leading the mix.

The nation has been diversifying from its traditional ultra-luxury market to offer family-friendly and adventure options, and has seen growing off-season demand during the monsoon months.

A scattered archipelago of 1,190 islands, the Maldives is the smallest country in Asia by land area but among the most geographically spread out. Its average elevation is just 1.5m, leaving it highly vulnerable to climate change and extreme weather-a risk that has not yet caused the worst predicted damage but remains a concern.

Velana's expansion increases annual capacity from three million to seven million passengers and 120,000 tons of cargo. The new terminal features 47 check-in counters, six self-service kiosks, 20 immigration counters, six boarding gates, and 12 aerobridges.

Construction was led by Beijing Urban Construction Group (runway) and Saudi Binladin Group (terminal), with funding from the Abu Dhabi Fund for Development, Kuwait Fund, and China Eximbank.

The upgrade positions Velana to handle flights from almost anywhere, building on current links to the Middle East, parts of Asia Pacific, and London. Charter flights, cruise-tourism connections, and greater frequency on existing routes are seen as future growth areas.

Beyond Malé, the country operates 20 airports, with Gan International-a converted RAF base-undergoing its own major upgrade. Plans are in place to develop six more domestic airports.

The Maldives' challenge now is balancing growth with environmental realities. Like Iceland, another tourism-dependent island nation with a similar visitor-to-resident ratio, it may eventually have to manage visitor numbers.

For now, the expanded airport signals a clear intent: to secure its place on the global travel map, even as rising seas threaten its shores.