

India-UAE Relations

India and United Arab Emirates (UAE) enjoy strong bonds of friendship which are founded on millennia-old cultural, religious and economic intercourse between the two regions. People-to-people contacts and barter trade between the two regions have existed for centuries. The relationship flourished after the accession of H.H. Sheikh Zayed Bin Sultan Al Nahyan as the Ruler of Abu Dhabi in 1966 and subsequently with the creation of the UAE Federation in 1971. Both sides have made sincere efforts to improve relations in all fields.

Bilateral Visits: India-UAE bilateral relations got impetus from time-to-time with exchange of high-level visits from both sides. UAE's President Sheikh Zayed bin Sultan Al Nahyan visited India in 1975 and 1992. In recent times, Sheikh Mohammed bin Rashid Al Maktoum, Vice President & PM of the UAE and Ruler of Dubai, visited India in March 2007. He again visited India in March 2010. Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan led the UAE delegation to take part in the India-UAE Joint Commission meeting at New Delhi in June 2007. His latest visit to India was on June 26-27, 2011 during which he held meetings with Hon'ble Vice President, Hon'ble PM and Hon'ble EAM. During the visit, both sides signed a MoU on holding high-level Political Consultations on a regular basis. From Indian side, President Dr. Fakhruddin Ali Ahmed visited UAE in November 1976 and Prime Minister Smt. Indira Gandhi in May 1981. In recent times, President Dr. A.P.J. Abdul Kalam paid a State visit to the UAE in October 2003. EAM Shri Pranab Mukherjee visited UAE in May 2008. Hon'ble President Smt. Pratibha Devisingh Patil paid a successful State visit to UAE in November 2010. Minister of Foreign Affairs of the UAE H.H. Sheikh Abdullah Bin Zayed Al Nahyan visited in June 2011. The Deputy Prime Minister and the Minister of the Interior, Sheikh Saif Bin Zayed Al Nahyan paid a visit to India in November 2011. Sheikha Lubna bint Khalid Al Qasimi, UAE Minister of Foreign Trade visited India in 2009 and again in January 2012 to participate in the CII partnership Summit. Sheikh Hamed Bin Zayed Al Nahyan, Managing Director of ADIA – largest Sovereign Wealth Fund in the world – visited India on 16-20 January, 2012 to promote investments.

Bilateral Agreements: India and the UAE have signed a number of Agreements and MoUs from time-to-time, such as Cultural Cooperation Agreement (1975); Civil Aviation Agreement (1989); Double Taxation Avoidance Agreement (1992); Agreement to Combat Trafficking in Narcotic Drugs and Psychotropic Substances (1994); Extradition Treaty (1999); Mutual Legal Assistance Treaty in Criminal & Civil Matters (1999); Agreement on Juridical and Judicial Cooperation in Civil and Commercial Matters (1999); MoU on Defence Cooperation (2003); MoU on Manpower Sourcing in (2006) A revised MoU on Manpower Sourcing (September 2011); and MoU on Political Consultations (June 2011); Agreement on Transfer of Sentenced Persons and Agreement on Security Cooperation (November 2011).

Joint Commission: The Ninth Session of the India-UAE Joint Commission Meeting (JCM) took place in New Delhi on June 5-6, 2007. The Indian delegation was led by Hon'ble EAM Shri Pranab Mukherjee and the

UAE delegation was led by Foreign Minister Sheikh Abdullah. Both sides discussed various issues for promoting bilateral cooperation in the following fields: trade & investment; combating crime, terrorism and illicit activities; education, culture, youth & sports; health, science and technology, agriculture & environment; manpower; energy, hydro-carbons, petrochemicals; and fertilizers.

Foreign Office Consultations (FOC): India-UAE Foreign Office Consultations took place on February 8-9, 2012 in New Delhi. The UAE delegation was led by the Assistant Minister for Foreign Affairs Dr. Tariq Ahmed Ibrahim Al Haidan. Indian side was led by the Secretary (East) Mr. Sanjay Singh. The two sides discussed wide range of issues including the areas of bilateral and mutual interests, regional developments in the Gulf, Middle East and South Asia and international issues.

Economic & Commercial Relations: The traditionally close and friendly India-UAE bilateral relationship has evolved into a significant partnership in the economic and commercial sphere. Indians have emerged as important investors within the UAE and India as an important export destination for the UAE manufactured goods. There are more than 450 flights per week between various destinations of India and the UAE.

India-UAE trade, valued at US \$ 180 million per annum in the 1970s reached level of \$ **67 billion** during 2010-2011. For UAE, India is the largest trading partner. India's major export items to UAE are: petroleum products; precious metals; stones, gems & jewellery; minerals; food items (cereals, sugar, fruits & vegetables, tea, meat, and seafood); textiles (garments, apparel, synthetic fibre, cotton, yarn); and engineering & machinery products and chemicals.

India's major import items from UAE are: petroleum and petroleum products; precious metals; stones, gems & jewellery; minerals; chemicals; wood & wood products.

India-UAE bilateral trade for the last five years

<i>Value in US\$ Million</i>						
S. No.	Year	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
1	EXPORT	12,021.77	15,636.91	24,477.48	23,970.40	34,349.10
2	%Growth	39.92	30.07	56.54	-2.07	43.3
3	IMPORT	8,655.28	13,482.61	23,791.25	19,499.10	32,753.16
4	%Growth	98.79	55.77	76.46	-18.04	67.97
5	TOTAL TRADE	20,677.05	29,119.52	48,268.72	43,469.50	67,102.26
6	%Growth	59.72	40.83	65.76	-9.94	54.37
7	TRADE BALANCE	3,366.50	2,154.30	686.23	4,471.30	1,595.94

Source : DGCIS, Kolkata

Oil Trade: UAE was the fifth largest import source of crude oil for India in 2010-11 with import of 14.20 MMT of crude oil.

Investments: Total FDI from UAE to India is estimated to be US\$1.8 billion. UAE is the tenth biggest investor in India in terms of FDI. UAE's investments in India are concentrated mainly in five sectors: Energy (19.1%);

Services (9.3%); Programming (7.8%); Construction (6.8%); and, Tourism and Hotels (5.6%). Prominent UAE companies such as *DP World*, *EMAAR*, *RAK* etc. have invested significantly in various sectors of the Indian economy. Several prominent private and public sector Indian companies and banks are also operating in the UAE.

Defence Cooperation: Both countries have regular exchange of dialogue in the field of defence with the signing of MoU on Defence Cooperation in June 2003 and setting up of Joint Defence Cooperation Committee (JDCC). The fourth Meeting of JDCC took place at Abu Dhabi in April 2011. Potential areas of bilateral cooperation in the defence field are: production and development of defence equipment; Joint exercises of armed forces, particularly naval exercises; sharing of information on strategy and doctrines; technical cooperation in respect of Intermediate Jet Trainer etc. In recent years, bilateral Defence cooperation has been strengthened, notably in the field of defence training and supply of defence inventory, besides regular exchange programmes.

There have been goodwill visits of Indian Navy ships to the UAE from time-to-time. Three Indian Naval Ships, *INS Teer*, *INS Krishna* and *CGS Veera*, paid a visit to the UAE ports in March 2011. UAE hosted the meeting of the 'Indian Ocean Naval Symposium' (IONS) at Abu Dhabi in May 2010, where India handed over the Chairmanship of the IONS to the UAE. The Indian delegation in the meeting was led by Chief of Naval Staff, Admiral Nirmal Varma. The third Naval Staff Talks between Indian and UAE Navies took place at Abu Dhabi in June 2011. The first ever India-UAE Joint Air Forces exercise took place in September 2008 at the Al-Dhafra base in Abu Dhabi. India has also been a regular participant at the biennial International Defence Exhibition (IDEX) in Abu Dhabi.

Cultural Cooperation: Both countries share historic cultural ties and are making sincere efforts to cultivate regular cultural exchanges both at official and popular levels. India and UAE signed a Cultural Agreement in 1975. A bilateral Cultural Exchange Programme was signed for the period 1994-1996. UAE's Ministry of Culture and organisations like Abu Dhabi Authority for Culture and Heritage (ADACH) have been close partners in organizing Indian cultural events such as the Indian Film Festival in November 2008, SAARC Film Festival in March 2009, and the Indian Paintings Exhibition - 'Spectrum' in November 2009. Affiliated institutions of ADACH, such as *Ketab*, *Kalima*, have also been assisting in translation of some prominent Indian books into Arabic. An Indian Cultural Centre was opened by ICCR in the premises of the Indian Embassy in Abu Dhabi in December 2009. The Cultural Centre has been organizing many cultural activities in the field of performing arts, seminars, India festivals, exhibitions, propagation of yoga, etc. In 2011 the Centre organized a total of 50 events including a handicraft bazaar called 'Discover India' in February 2011; poetry reading session by Dr. Satchidanandan, an Indian poet and Arabic Translations by Arabic poet Dr. Shihab Ghanem and a seminar on November 22-23, 2011 on 'Arab –Indo relations through the ages in History, Art & Culture' (with special emphasis on UAE) in collaboration with Culture & Media Centre for H.H. Sheikh Sultan Bin Zayed Al Nahyan, H.H. the President's Representative, in which Indian, Arab and Emirati speakers participated. The centre hosted about half a dozen

cultural troupes in the calendar year including a Sufiana qawwali group, baul troupe, Katyayani theater troupe, a bhangra and a Rajasthani dance group.

Indian Community: UAE is home to an Indian expatriate community of more than 1.75 million – the largest expatriate community in the UAE. Between 15 & 20 percent of the community is made up of professionally qualified personnel, 20 percent belong to the white collar non-professionals (clerical staff, shop assistants, sales men, accountants, etc) and remainder (about 65%) belongs to the blue-collar workers. There is also a significant business community from India. The Indian community has played a major role in the economic development of the UAE. The economic boom in the UAE has created a huge demand for short-term immigrant labour and white collar non-professionals and professionals in increasing numbers are coming from India.

Over the last few years, steady improvement has been witnessed in respect of grievance-redressal mechanisms for the Indian workers in the UAE. The UAE's Ministry of Labour and the Ministry of Overseas Indian Affairs are working closely to evolve a new arrangement that would make the system of recruitment and contracting more transparent. The Indian Mission is in the process of launching projects, such as pre-Recruitment attestation, for the welfare of Indian workers. There is an Indian Community Welfare Fund (ICWF) for providing food, shelter, passage expenses etc to destitute workers/housemaids in distress. The Indian Workers Resource Centre (IWRC), with a 24-hour helpline, was inaugurated in Dubai by Hon'ble President of India, during her State Visit in November 2010. India and UAE signed a MoU in the field of Manpower Sourcing in December 2006. The revised MoU was signed during the visit of UAE Labour Minister Saqr Ghobash to India in September 2011.

February 2012