

India – Bahrain Relations

India and Bahrain enjoy excellent bilateral relations characterized by cordial political, economic and cultural contacts. Our bilateral Trade and commercial exchanges go back to about 5,000 years ago tracing their origins to the period of Dilmun Civilization in Bahrain to the era of Indus valley civilization in India. Ancient Bahraini traders are believed to have carried out flourishing trade of Bahraini pearls with Indian spices from India. Presence of around 350,000 Indian nationals who comprise a third of Bahrain's total population of 1.2 million is an important anchor of our bilateral relations with Bahrain.

Recent Visits to India

Visit of Minister of Foreign Affairs of Bahrain: Sheikh Khalid Bin Ahmed Bin Mohamed Al-Khalifa, Minister of Foreign Affairs of the Kingdom of Bahrain visited India on March 30, 2011. The Bahraini Foreign Minister met EAM Shri S.M. Krishna on March 30, 2011 and had detailed discussions on issues of mutual interest including developments in Bahrain and in the region.

Visit of the Crown Prince of Bahrain in May 2012: HRH Prince Salman Bin Hamad Al Khalifa, the Crown Prince of Bahrain led a high level delegation of Ministers, senior officials and businessmen to India on May 30-31, 2012 at the invitation of our Vice-President. During his stay in New Delhi, he called on the President and met with our Vice President, Prime Minister and Minister of External Affairs. In Mumbai, he met with the Governor of Maharashtra and captains of Indian industry. An Agreement for Exchange of Information with respect to Taxes and a Memorandum of Understanding on Cooperation in the area of Information & Communication Technology were signed during the visit.

Visit of the Crown Prince of Bahrain in March 2013: HRH Prince Salman Bin Hamad Al Khalifa, the Crown Prince of Bahrain again paid a visit to Kerala on 17-18 March, 2013. Chief Minister Oommen Chandy received him at airport. During the official meetings, Minister of State for External Affairs E. Ahamed represented the Government of India. During these visits, both sides agreed to maintain regular high-level contacts. The Indian leadership expressed its appreciation to the Crown Prince and the Kingdom of Bahrain in ensuring the safety and well being of the Indian community in Bahrain.

Visit of His Majesty King Hamad bin Isa Al Khalifa: At the invitation of Hon'ble President of India, Shri Pranab Mukherjee, His Majesty King Hamad bin Isa Al Khalifa, the King of the Kingdom of Bahrain paid his first state visit to India from 18-20 February, 2014. HM the King was accompanied by a high-level delegation comprising Ministers, senior officials and business leaders. He was accorded a ceremonial welcome in the forecourt of the Rashtrapati Bhavan on 19 February, 2014. Hon'ble President, Shri Pranab Mukherjee hosted an official banquet in honour of HM the King which was preceded by official discussions. The other bilateral engagements included meeting with Hon'ble Vice-President, Sh M. Hamid Ansari and delegation-level bilateral discussions with Hon'ble Prime Minister, Dr. Manmohan Singh. HM the King also received Hon'ble External Affairs Minister, Shri Salman Khurshid and the Leader of Opposition in the Lok Sabha, Shrimati Sushma Swaraj. Three MOUs were signed, including on the establishment of a Joint High Commission to be co-chaired by the Minister of External Affairs of India and Foreign Minister of the Kingdom of Bahrain; cooperation between the Foreign Service Institute, Ministry of External Affairs, India and the Diplomatic

Institute, Ministry of Foreign Affairs, Kingdom of Bahrain and MOU for cooperation in the field of youth and sports.

Visit of Minister of Foreign Affairs of Bahrain: Sheikh Khalid Bin Ahmed Bin Mohamed Al-Khalifa, Minister of Foreign Affairs of the Kingdom of Bahrain visited India on 22 February 2015. The Bahraini Foreign Minister met EAM Smt. SushmaSwaraj and discussed various aspects of bilateral relations, which included ways and means to expand bilateral cooperation in the field of education; trade, investment and commerce; security and defence cooperation, exchanges in sectors of media and communication; and issues relating to the Indian expatriate community in Bahrain.

Recent Visits from India

Visit of Hon'ble Minister of External Affairs & Overseas Indian Affairs of India Smt. SushmaSwaraj: Hon'ble Minister of External Affairs & Overseas Indian Affairs of India Smt. SushmaSwaraj paid a visit to the Kingdom of Bahrain from 6 to 7 September 2014. The EAM during the course of her stay in Bahrain inaugurated an Indian Diaspora Engagement meet (Organized by Overseas Indian Facilitation Centre (OIFC)) and had bilateral interaction with the top Bahraini leadership. EAM was received by His Majesty the King and His Royal Highness the PM. In addition, EAM had a detailed interaction with Bahrain's Foreign Minister. Bahraini Foreign Minister on this occasion, held a banquet dinner in honour of the Hon'bleEAM, in which a number of Bahraini Cabinet ministers, Indian businessmen and distinguished guests from the Indian Community were invited. Bahrain Economic Development Board (EDB) also hosted a lunch in honour of the Hon'bleEAM, in which there was an announcement of CII to open a regional office in Bahrain. Hon'bleEAM also participated in the Onam celebrations organized by Indian expatriate community.

Bilateral Agreements/Memorandums of Understanding

The two countries have the following bilateral agreements/MOUs:

- Air Service Agreement (April 2000)
- MOU on Cooperation between Ministries of Foreign Affairs (January 2004)
- Agreement on Juridical and judicial Co-operation in Civil and Commercial Matters (January 2004)
- Extradition Treaty (January 2004)
- Agreement on Mutual Legal Assistance in Criminal Matters (January 2004)
- Agreement on the Promotion and Protection of Bilateral Investment (January 2004)
- Agreement for Media Co-operation between PrasarBharati and Bahrain Radio & TV Corporation (March 2007)
- MOU on Labour and manpower Development (June 2009)
- Agreement regarding Exchange of Information with respect to Taxes (May 2012)
- MOU on Cooperation in the field of Information and communication Technology (May 2012)
- MOU on the establishment of a Joint High Commission (February 2014)
- MOU on cooperation between the Foreign Service Institute, Ministry of External Affairs, India and the Diplomatic Institute (February 2014)
- MOU for cooperation in the field of youth and sports (February 2014)
- MOU on Water Resources Development and Management (February 2015)

Bilateral Institutional Mechanisms

Foreign Office Consultations: Foreign Office Consultations (FOC) between India and Bahrain was held on October 20, 2014 in New Delhi. Detailed discussions were held during the consultation covering bilateral, regional issues of mutual concern.

High Joint Commission: This mechanism was set-up to replace the earlier **India-Bahrain Joint Committee on Economic & Technical Co-operation vide an MOU** signed during the visit of King of Bahrain to India on February 18-20, 2014, and the level was upgraded at the level of EAM. The first meeting of High Joint Commission between India and Bahrain took place during the visit of Minister of Foreign Affairs of Bahrain to India on 22 February 2015.

Trade and Economic Relations

India and Bahrain have had economic and trade relations for over several centuries; these relations received fresh impetus from the oil boom of the early seventies. Relative prosperity and higher standard of living in Bahrain boosted global imports of goods and services, including from India. Bahrain Government's policy of industrial diversification also played an important role in enhancing economic co-operation between India and Bahrain. More than anything else, new job opportunities attracted a large number of Indian expatriates to Bahrain. Bahrain serves as the gateway to the GCC market because of its location.

Bilateral Trade India-Bahrain: Values in US\$ millions

Year Trade	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Indian Export	252.47	286.52	250.21	651.83	439.99	603.47	639.36
Indian Import	835.42	1442.82	502.86	641.25	876.30	664.66	563.24
TOTAL TRADE	1087.89	1729.34	753.07	1293.08	1316.28	1268.13	1202.60

(Source: ***Export Import Data Bank, Foreign Trade Performance Analysis, Department of Commerce, Ministry of Commerce & Industry***)

India imports mainly Crude Oil, Ores, slag/ash Petroleum products, Aluminum and Fertilizers and exports Inorganic chemicals, organic & inorganic compounds of precious metals, Ships & boats, Boilers & machineries, Iron & steel and processed foods, etc.

Bahrain-India Joint Business Council

The JBC was set up on 12th October, 1994. The first meeting was held in Bahrain in 1996. At the invitation of the FICCI&ASSOCHAM, a 21-member high-level trade delegation organised by the Bahrain Chamber of Commerce & Industry visited India from 17-24 February, 2001 to attend the 2nd meeting of the JBC. The next i.e. 3rd meeting of the JBC is expected in September 2015.

On the sidelines of the visit of the Bahraini King to India during February 2014, six MOUs were signed including one between the Bahrain Development Bank (BDB) and the Small Industries Development Bank of India (SIDBI) to enhance financial and non-financial services for SMEs in Bahrain. The other MOUs were between Bahrain Economic Development Board (EDB) and Nasscom; Bahrain Economic Development Board (EDB)

and CII; Tamkeen and the National Skills Development Corporation (NSDC) of India; Jawaharlal Nehru University, New Delhi and University of Bahrain; and National Authority for Qualifications and Quality Assurance of Education and Training (QQA), Bahrain, and National Assessment and Accreditation Council (NAAC). Twelve MOUs were signed on the last day of the Bahrain – India Business Forum, in Mumbai.

Overseas Indian Facilitation Centre (OIFC)

OIFC organized its first 'Diaspora Engagement Meet' in Bahrain on September 6, 2014 during the visit of Hon'ble Minister of External Affairs & Overseas Indian Affairs of India Smt. Sushma Swaraj to Bahrain, with the objective to acquaint the Indians living in Bahrain as well as businesspersons of the Kingdom of Bahrain with the various trade and investment opportunities in India. This was attended by close to 500 delegates. In order to promote bilateral economic relations between India and Bahrain, CII is opening an office in Manama in cooperation with the Economic Development Board of Bahrain. OIFC will be integral part of CII office in Bahrain. Indian community in Bahrain can also contact the CII office in Bahrain to route their business queries to OIFC.

Bahrain India Society

A group of India friendly businessmen led by former Labour Minister of Bahrain Abdul Nabi Al Sho'ala founded Bahrain India Society, which was formally inaugurated by Bahrain Foreign Minister on 21 December 2008. The Society's objectives include promoting closer bilateral ties of friendship and understanding between the two peoples in the economic, cultural, sports and scientific fields.

Indian Expatriate Community

While Bahrain is a small country both geographically (a mere 712 sq. kms.) and in terms of population (1.2 million), it has been a favourite destination for Indian nationals working as expatriates. While there were only 90,000 Indian nationals working in Bahrain in the year 2000, the number has since increased to 350,000 (approximately). Out of this total, as many as 220,000 are from the state of Kerala. Andhra Pradesh and Tamil Nadu account for roughly 40,000 each. Over 50,000 come from Maharashtra, Karnataka and Punjab. In terms of professions, the vast majority i.e. 70% of our nationals are in the category of unskilled labour. Banking, medicine, management and accounts for the bulk of the well-to-do.

The Indian expatriate community enjoys great goodwill from the Bahraini authorities and the employers alike. It is no secret that Indians are preferred over other expatriates from the subcontinent. The main reasons for this include the trust factor, strong work ethics and the "apolitical" orientation of Indian expatriates.

Useful Resources:

Embassy of India, Bahrain website:
<http://www.indianembassybahrain.com/>

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