

## **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**

**State visit of His Majesty King Hamad bin Isa Al Khalifa:** At the invitation of the then 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, Shri 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, Smt 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 the Crown Prince HRH Shaikh Salman bin Hamad Al Khalifa in March 2007:** At the invitation of the then Vice President of India, Shri Bhairon Singh Shekhawat, HRH Shaikh Salman bin Hamad Al Khalifa, the Crown Prince of Bahrain paid an official visit to India from March 19-22, 2007.

**Visit of the Crown Prince HRH Shaikh Salman bin Hamad Al Khalifa in May 2012:** HRH Shaikh 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 India's Vice-President. During his stay in New Delhi, he called on the President and met with 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 HRH Shaikh Salman bin Hamad Al Khalifa in March 2013:** HRH Shaikh Salman Bin Hamad Al Khalifa, the Crown Prince of Bahrain paid a visit to Kerala on 17-18 March, 2013. Chief Minister Oommen Chandy received him at the airport. During the visit, he held official meetings with MOS(EA) E. Ahamed, where both sides agreed to maintain regular high-level contacts. The Indian leadership expressed its appreciation to the Bahraini leadership in ensuring the safety and well-being of the Indian community in Bahrain.

**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 from 21 to 23 February 2015 and held bilateral discussions with EAM on various issues of interests. He later met with the Prime Minister of India and handed over an invitation from the King of Kingdom of Bahrain to visit Bahrain. During the visit, he also co-chaired the first meeting of the High Joint Commission between India and Bahrain on 22 February 2015.

The Bahraini Foreign Minister had earlier visited India in March 2011. During the visit, he met EAM Shri S.M. Krishna and had detailed discussions on issues of mutual interests including developments in Bahrain and in the region. He was also on a private visit to India from 27 December 2014 to 06 January 2015.

**Visit of Interior Minister of Bahrain:** Bahrain's Interior Minister Lt. General Shaikh Rashid bin Abdulla Al Khalifa was on an official visit to India from 1-4 December 2015. During the visit, an agreement on cooperation in combating international terrorism, transnational organized crime and trafficking in illicit drugs, narcotics and psychotropic substances and precursors chemicals was signed between the two countries on 2 December 2015 at New Delhi.

### **Recent Visits from India**

**Visit of MOS (EA):** MOS (EA) Shri E. Ahamed paid a bilateral visit to Bahrain on 4-5 June, 2013. He was received by King Hamad bin Isa Al Khalifa and Prime Minister Shaikh Khalifa bin Salman Al Khalifa. He also met the Minister of Labour and held discussions with the Vice Minister in the Foreign Office. He interacted with the members of Indian community in Bahrain. MOS (EA) again visited Bahrain to jointly inaugurate the 'Bahrain-India Exhibition & Conference' held in Manama from October 22-24, 2013 organized by the Ministry of Industry and Commerce of Bahrain, and to attend the 12<sup>th</sup> Asia Cooperation Dialogue Ministerial meeting held from 24-25 November, 2013. During this visit, MOS (EA) called on the Crown Prince and the Prime Minister, Finance and Industry and Commerce Minister of Bahrain.

**Visit of Minister of External Affairs:** The then EAM Shri Salman Khurshid paid his first bilateral visit to Bahrain from 6 to 9 December 2013 to hold bilateral discussions with the leadership of Bahrain. He had bilateral discussions with the top Bahraini leadership, including the King, PM, Crown Prince and the Foreign Affairs Minister. During the meeting, he handed over an invitation from India's President for the King of Bahrain to visit India. He also attended the 9<sup>th</sup> edition of the "Manama Dialogue", an annual regional security summit jointly organized by IISS and the Govt. of Bahrain. He delivered a keynote address at a special session of Manama Dialogue. He also laid the foundation stone of the new Indian Chancery premises to be built in Bahrain.

**External Affairs Minister Smt. Sushma Swaraj** visited Bahrain on 6-7 September 2014 for the inaugural "Diaspora Engagement Meet" organized by the Overseas Indian Facilitation Centre (OIFC) and CII. The visit provided a useful opportunity for bilateral interaction with the top Bahraini leadership, including the King, the Prime Minister and the Foreign Minister. She met the representatives of the expatriate community. During the visit, the OIFC signed two agreements with the Bahraini Economic Development Board (EDB) and the Bahrain India Society (BIS) to engage India's Diaspora in Bahrain with the India growth story. During the visit, CII announced opening of its regional office in Manama in cooperation with the Economic Development Board of Bahrain.

**EAM Smt. Sushma Swaraj** again visited Bahrain from 23-24 January 2016 to attend the 1<sup>st</sup> Ministerial Meeting of the Arab-India Cooperation Forum (AICF). During the visit, EAM called on the King and the PM and had detailed discussions with the Bahrain's Foreign Minister. EAM also signed an 'Agreement on Transfer of Sentenced Persons' with her Bahraini counterpart. She also visited Indian pavilion at the Bahrain International Air Show and witnessed, along with the King, flying demonstration by Indian LCA Tejas and Sarang Helicopter Display Team.

**Visit of Minister of Home Affairs:** Home Minister Shri Rajnath Singh visited Bahrain from 23-25 October 2016 on official visit at the invitation of Bahrain's Interior Minister. During the visit, Home Minister called on King Hamad, Crown Prince, Deputy Prime Minister Shaikh Ali bin Khalifa Al Khalifa and the Foreign Minister. He held official discussions with the Interior Minister of Bahrain and discussed cooperation in various sectors in the light of recently signed Agreements/MOUs. On the sidelines, the 1<sup>st</sup> meeting of the Joint Steering Committee, formed under the frame work of bilateral agreement on cooperation in combating terrorism was also held on 25 October to implement the provisions contained in the agreement.

**MOS(VKS) visit:** Gen. (Dr.) V. K. Singh (Retd.), Hon'ble Minister of State for External Affairs visited Bahrain from 13-15 January 2017 to discuss labour related issues with Bahrain. During the visit, he met with Interior Minister and the Labour Minister of Bahrain and discussed bilateral cooperation, regional developments and welfare of Indian community in Bahrain.

**MOS(MJA) visit:** MOS M.J. Akbar visited Bahrain on 8-9 December 2017 to participate in the 13<sup>th</sup> Manama Dialogue 2017 and addressed the session on "Evolving International partnerships in the middle east". During the visit, MOS also addressed a business roundtable on 9 December attended by prominent businessmen of Bahrain.

### **Bilateral Agreements/Memorandums of Understanding**

Following agreements/MOUs have been signed between the two countries:-

- 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 Prasar Bharati 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, Bahrain (February 2014)

- MOU for cooperation in the field of youth and sports (February 2014)
- OIFC signed two Agreements with the Bahrain Economic Development Board and the Bahrain India Society in September 2014.
- MOU on Water Resources Development and Management (February 2015)
- Agreement on Cooperation in combating international terrorism, transnational organized crime and trafficking in illicit drugs, narcotics and psychotropic substances and precursors chemicals (December 2015)
- Agreement on Transfer of Sentenced Persons (January 2016)

### **Bilateral Institutional Mechanisms**

**Foreign Office Consultations:** Four rounds of Foreign Office Consultation (FOC) have taken place between India and Bahrain. The first round was held in Delhi in November 2004; the second round was held in Bahrain on October 23, 2011, and the third round was held on 20 October 2014 in New Delhi. The 4<sup>th</sup> round of FOC was held on 14 November, 2016 at Manama for which the Indian delegation was led by Joint Secretary (Gulf) and the Bahraini delegation was led by Dr. Rana bint Isa bin Duaij Al Khalifa, Assistant Undersecretary for Arab & Afro-Asian Affairs and Organizations, Ministry of Foreign Affairs. During the meeting, both sides reviewed bilateral relations and discussed on a variety of issues of mutual interest.

**India-Bahrain Joint Committee on Economic & Technical Co-operation:** India and Bahrain signed an Economic and Technical Co-operation Agreement in April 1981 during the Amir's visit to New Delhi. India-Bahrain Joint Committee on Economic and Technical Cooperation (JCETC) established under this agreement met four times (1986-New Delhi, 1991-Bahrain, 1998-New Delhi and 2007-Bahrain). MOS (EA) Sh. E. Ahamed led the Indian delegation for the 4<sup>th</sup> JCETC meeting in Bahrain on 14-15 November 2007. This mechanism has since been replaced by a "High Joint Commission" and upgraded to the level of EAM, after MOU on the establishment HJC was signed during King Hamad's visit to India on 18-20 February 2014.

The **first meeting of the HJC between India and Bahrain** was held on **22 February 2015** during the visit of Foreign Affairs Minister of Bahrain to India. During the HJC, discussions at Ministerial level were held on the review of bilateral relations, various other issues of mutual interest, regional issues as well as international issues.

### **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.

In May 2011, a 15-member delegation from Electronic and Computer Software Export Promotion Council (ESC) visited Bahrain and signed another MoU with the EDB – the nodal

agency for development of IT sector in Bahrain. The MoU envisages a wide gamut of activities, which include business development, organizing training programmes, seminars and workshops.

A high level Bahraini business delegation accompanied the Bahraini Transport Minister, Kamal Ahmed visited India to participate in the annual flagship event by CII : ‘The Partnership Summit’ held in Negaluru from 27-29 January 2014. Bahrain was the focus country in this prestigious event.

**Visit of Labour Minister:** Minister of Labour and Social Development Jameel Humaidan visited India from 12-14 February 2016 to participate in the Make in India Week held at Mumbai from 13-18 February 2016. During the visit, he attended the opening ceremony of ‘Make in India Week’, attended PM’s banquet lunch and held meetings with various commercial groups.

**Visit of Commerce & Industry Minister:** Bahrain’s Minister for Commerce, Industry & Tourism Zayed bin Rashid Al Zayani visited India leading a high level EDB delegation for the 2<sup>nd</sup> Bahrain India Forum organized jointly by IISS and EDB at New Delhi from 25-26 May 2016. He met with Hon’ble Commerce and Industry Minister Mrs. Nirmala Sitharaman at New Delhi and emphasized the strong bond between both the countries and said that India remains a vital partner for Bahrain. Commerce and Industry Minister Mrs. Nirmala Sitharaman highlighted the investment opportunities in India and urged Bahrain to enhance its investments in to India under initiatives such as Make in India, NIIF, Digital India etc.

**Bilateral Trade India-Bahrain:** Values in US\$ million

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (*Up to February 18)
<b>Indian Export</b>	603.47	639.36	472.98	654.10	471.32	499.23
<b>Indian Import</b>	664.66	563.24	446.25	356.90	290.69	376.24
<b>Total Trade</b>	<b>1268.13</b>	<b>1202.6</b>	<b>919.23</b>	<b>1011.00</b>	<b>762.01</b>	<b>875.47</b>

(Source: *Foreign Trade Performance Analysis, Deptt of Commerce, M/o Commerce & Industry*)

India’s main items of exports to Bahrain are mineral fuels, mineral oils, inorganic chemicals, organic or inorganic compounds of precious metals of rare earth, Elam/radii/isotopes, cereals, nuts, fruits, articles of apparel and clothing accessories etc., while main items of import from Bahrain are crude oils, mineral fuels, their bituminous substance, distillation, aluminum, fertilizers, ores/slugs/ ashes of aluminum, iron and copper, pulp, salt, printed books, newspapers etc.

**Indian investment in Bahrain:** There are 23 branches of prominent Indian banks/companies registered in Bahrain and 3,181 Indian joint venture companies are registered in Bahrain. India’s total capital investment into Bahrain between January 2003 & March 2018 has been estimated at approximately US\$ 1.69 billion. Financial Services has highest investment value (40 % of total projects), followed by real estate and hospitality sector.

**Bahraini Investments in India:** Values in US\$ million

<b>Financial Year</b>	<b>December 2013</b>	<b>December 2014</b>	<b>December 2015</b>	<b>December 2016</b>	<b>December 2017</b>
Cumulative FDI inflow from Bahrain	31.55	48.93	53.30	140.73	163.66

( Source : DIPP/RBI)

**Bahrain – India Joint Business Council**

The Joint Business Council (JBC) was set up on 12 October 1994. The first meeting was held in Bahrain in 1996 while the second meeting was held in India from 17-24 February 2001. During the visit of Crown Prince to India in May 2012, a fresh agreement was signed between FICCI and BCCI on the establishment (or say reactivation) of Joint Business Council (JBC). After reactivation, the 1<sup>st</sup> Bahrain-India JBC was held from 28-30 September 2015 by FICCI at New Delhi, co-chaired by Mr. Khaled Al Amin from Bahrain side and Mr. Nitin Joshi from the Indian side.

**Indian Expatriate Community**

While Bahrain is a small country both geographically (a mere 765 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)** - comprising of 200,000 from Kerala, 50,000 from Tamil Nadu, 40,000 from Andhra Pradesh & Telangana, 25,000 from Karnataka and rest from Punjab, Rajasthan, UP, Maharashtra, Goa and Gujarat. In terms of professions, the vast majority i.e. 60% of our nationals are in the category of unskilled labour. In addition to the predominant blue-collar labour force, there is a sizeable number of doctors, engineers, chartered accountants, bankers, managers and other professionals who play a vital role in the Bahrain's socio-economic development.

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.

Bahrain launched 'Little India in Bahrain' project in November 2015 to acknowledge and mark the contribution of Indian community to the history and progress of Bahrain. Under the project, exterior of various buildings were restored and renovated, as well as a small public space for holding regular markets, fashion shows, Indian food stalls, and cultural performances etc. was created so as to give the visitors a feeling of being in India.

Useful References:

Website:- <https://eoi.gov.in/bahrain/>

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