

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 have received impetus from time-to-time with exchange of high-level visits from both sides. Important visits at different level include:

Presidential visits: President Dr. Fakhruddin Ali Ahmed visited UAE in November 1976; President Dr. A.P.J. Abdul Kalam paid a State visit to the UAE in October 2003 and President Smt. Pratibha Devisingh Patil paid a State visit to UAE in November 2010. From the UAE side UAE's President Sheikh Zayed bin Sultan Al Nahyan visited India in 1975 and 1992.

Prime Ministerial visits: Prime Minister Smt. Indira Gandhi visited UAE in May 1981. From the UAE side, Sheikh Mohammed bin Rashid Al Maktoum, Vice President & Prime Minister of the UAE and Ruler of Dubai, visited India in March 2007, March 2010 and May 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.

Foreign Ministers' visits: EAM Shri Pranab Mukherjee visited UAE in May 2008. EAM Shri S. M. Krishna visited Abu Dhabi UAE on April 16, 2012 leading the Indian delegation at the 10th Joint Commission Meeting. MoS (EA) Shri E. Ahmed visited Abu Dhabi, UAE for the 3rd Indo-Arab Business Conclave on May 21-22, 2012. From the UAE side, Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan led the UAE delegation at the India-UAE Joint Commission meeting in New Delhi in June 2007 during which he held meetings with Hon'ble Vice President, Hon'ble PM and Hon'ble EAM. UAE Foreign Minister HH Sheikh Abdullah bin Zayed al Nahyan again visited New Delhi on May 17-18, 2012.

Other important ministerial level visits: Minister of Foreign Affairs of the UAE H.H. Sheikh Abdullah Bin Zayed Al Nahyan visited in June 2011. Sheikha Lubna bint Khalid Al Qasimi, UAE Minister of Foreign Trade visited India in 2009 and later 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. Minister of State for Financial Affairs, H. E. Mr. Obaid Humaid Al Tayer, visited India on April 3, 2012.

Bilateral Agreements: India and the UAE have signed a number of Agreements and MoUs from time-to-time in different sectors providing an institutional framework for cooperation in those sectors. Number of Agreements signed between India and UAE till date include [1] Cultural Cooperation Agreement (1975); [2] Civil Aviation Agreement (1989); [3] Double Taxation Avoidance Agreement (1992), Protocol to amend the India-UAE Double Taxation Avoidance Agreement (April 16, 2012); [4] Agreement to Combat Trafficking in Narcotic Drugs and Psychotropic Substances (1994); [5] Extradition Treaty (1999); [6] Mutual Legal Assistance Treaty in Criminal & Civil Matters (1999); [7] Agreement on Juridical and Judicial Cooperation in Civil and Commercial Matters (1999); [8] Information

Cooperation Agreement (April 2000); [9] Channel Carriage Agreement (2000); [10] MoU on Defence Cooperation (2003); [11] MoU on Manpower Sourcing in (2006), A revised MoU on Manpower Sourcing (September 2011); [12] MoU on Political Consultations (June 2011); [13] Agreement on Transfer of Sentenced Persons (November 2011); [14] Agreement on Security Cooperation (November 2011); [15] Agreement on Customs Cooperation (April 1, 2012); [16] Protocol to streamline admission of Indian contract workers by way of an electronic contract registration and validation system (April 2012), and [17] MoU on establishing a Joint Committee on Consular Affairs.

Institutional Structure for Dialogue: Annual Foreign Office Consultations are held at the Secretary level. Last 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) Shri. 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. A Memorandum of Understanding on holding annual Political Consultations at the level of Foreign Ministers was signed during the visit of the UAE Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan to New Delhi in June 2011. India-UAE Joint Commission Meeting (JCM) for Economic and Technical Cooperation) deals with issues related to trade and commerce. The tenth Session of JCM took place in Abu Dhabi on April 15-16, 2012 (Last JCM was held on June 5-6, 2007). EAM Shri S. M. Krishna led the Indian delegation and the UAE delegation was led by Foreign Minister Sheikh Abdullah. Memorandum of Understanding for establishing a Joint Committee on Consular Affairs was signed on April 16, 2012. This will provide a platform to discuss various consular and community related matters. With a signing of a Memorandum of Understanding on Defence Cooperation in 2003, a Joint Defence Cooperation Committee (JDCC) was established. The JDCC provides a platform for a regular exchange of dialogue in defence sector. Fifth meeting of JDCC took place in New Delhi on May 1-3, 2012.

Economic & Commercial Relations: Economic and Commercial cooperation with the UAE is a key aspect of overall bilateral relationship. 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 484 direct 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 include 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 include petroleum and petroleum products; precious metals; stones, gems & jewellery; minerals; chemicals; wood & wood products. Oil Trade: UAE was the fifth largest import source of crude oil for India in 2011-12 with import of 15.79 MMT of crude oil.

India-UAE bilateral trade for the last five years

Value in US\$ Million
Source : DGCIIS, Kolkata

| S. No. | Year | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 (Apr-Sep) |
|--------|----------------------|------------------|------------------|------------------|------------------|---------------------|
| 1 | Export | 15,636.91 | 24,477.48 | 23,970.40 | 34,349.10 | 17,755.12 |
| 2 | %Growth | 30.07 | 56.54 | -2.07 | 43.3 | |
| 3 | Import | 13,482.61 | 23,791.25 | 19,499.10 | 32,753.16 | 18,084.15 |
| 4 | %Growth | 55.77 | 76.46 | -18.04 | 67.97 | |
| 5 | Total Trade | 29,119.52 | 48,268.72 | 43,469.50 | 67,102.26 | 35,839.27 |
| 6 | %Growth | 40.83 | 65.76 | -9.94 | 54.37 | |
| 7 | Trade balance | 2,154.30 | 686.23 | 4,471.30 | 1,595.94 | -329.83 |

Investments: Total FDI from UAE to India is estimated to be US\$2.2 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. Major Indian companies such as L& T, ESSAR, Dodsal, Punj Lloyd, Engineers India Ltd., TCIL etc. have been able to obtain significant number of contracts in the UAE. A UAE-India High Level Task Force was formed on 18th May 2012 to look at new opportunities for investment between the two countries.

Defence Cooperation: With the signing of MoU on Defence Cooperation in June 2003 and setting up of Joint Defence Cooperation Committee (JDCC) regular exchange of dialogue is taking place between the two countries. The fourth Meeting of JDCC took place in Abu Dhabi in April 2011, followed by the fifth in New Delhi on May 1-3, 2012. 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.

Multilateral: During the visit of the President Smt. Pratibha Devisingh Patil to the UAE in November, 2010, President Sheikh Khalifa bin Zayed Al Nahyan reaffirmed UAE's support for India to become a permanent member of an expanded Security Council.

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 in 2011 including a Sufiana qawwali group, baul troupe, Katyayani theater troupe, a bhangra, and a Rajasthani dance group. A three day film festival was organised from April 19-21, 2012 in the Embassy auditorium screening award winning art-house Indian cinema for the UAE public.

Indian Community: UAE is home to Indian expatriate community of more than 1.75 million – the largest expatriate community in the UAE. Professionally qualified personnel constitute about 15 & 20 percent of the community, followed by 20 percent white collar non-professionals (clerical staff, shop assistants, sales men, accountants, etc) and remainder 65% comprises of blue-collar workers. There is 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 created a huge demand for short-term immigrant labour which witnessed increasing numbers of white collar non-professionals and professionals coming from India in the recent years.

With large number of blue collared Indian workers focus of bilateral relations is also on developing efficient 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 has in place the Indian Community Welfare Fund (ICWF) for providing short term economic

assistance (food, shelter, passage expenses etc...) to destitute workers/housemaids in distress. 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. Revised MoU was signed during the visit of UAE Labour Minister Saqr Ghobash to India in September 2011. A Protocol to streamline the admission of Indian contract workers by way of an electronic contract registration and validation system was signed on April 4, 2012 during the visit of Mr. Vayalar Ravi, Hon'ble Minister, Ministry of Overseas Indian Affairs on April 3-4, 2012.

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