



TOPIC: India-UAE relations

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INTRODUCTION

Cultural and economic ties that have existed between India and the United Arab of Emirates for centuries have forged a special affinity between the two nations. In 1971, when the United Arab of Emirates joined the Federation, a turning point occurred in the relationship between the two countries. As a result, both parties have labored assiduously to reconcile fences and increase mutual understanding. In the first decade of the 1990s, Dubai established itself as a global trading center, coinciding with the liberalization of the Indian economy. This was the primary impetus.

Due to its location in the core of the Middle East, the United Arab of Emirates has become a significant economic hub in West Asia and beyond. It has become an important ally in India's aggressive geopolitics in West Asia due to its strong ties in commerce, business, energy, and individual-to-individual interactions. Indians, who make up the largest expatriate population in the United Arab of Emirates, contribute significantly to the country's foreign earnings. Indians have been recognized for their contributions to the economic development of the United Arab of Emirates.

Since the late 1950s and early 1960s, the expatriate population has played a significant role in maintaining the strong economic connections between India and the UAE. Several Indian industries have received funding from Arab Emirates-based companies. The foundation of these relations is the mutually beneficial trade agreements signed by the relevant agencies and companies of both countries.

It is commonly believed that the surge in petroleum oil production that began in the United Arab of Emirates in 1962 marked the beginning of diplomatic relations between India and the UAE. This provided momentum for maintaining the previously fragile connections between India and the UAE.

After the 1990s, when the Indian government first implemented its liberal policy to maintain stable relations with the UAE, economic ties between the two nations underwent a dramatic transformation. The aforementioned agreement was signed by the administrations of the United Arab of Emirates and India to facilitate unrestricted trade between their countries. As a consequence, trade between the two countries increased.

The significance of commerce and investment in bilateral relations cannot be exaggerated. The relationship between India and the UAE is especially robust. India is the largest trading partner of the United Arab of Emirates and the third-largest trading partner of the United Arab of Emirates (India).

Imports and exports of both nations have benefited their respective economies. Among India's most valuable exports are gold and other rare metals, petroleum and related products, agricultural commodities, and industrial machinery and equipment. In contrast, the United Arab of Emirates' largest export to India is crude energy.

India- UAE diplomatic and bilateral relations

India and the United Arab of Emirates have robust diplomatic and bilateral relations due to their shared cultural and historical ties as well as their shared economic and strategic objectives.

For many years, India and the United Arab of Emirates have maintained close cultural and commercial ties. Generations of Indians have made the United Arab of Emirates their permanent residence and contributed significantly to the economy of the country. The success and prosperity of the United Arab of Emirates can be attributed directly to this group's endeavours.

In recent years, trade between India and the United Arab of Emirates has exceeded one billion dollars, demonstrating the strength of their economic connections. United Arab of Emirates companies invest significantly in a variety of Indian industries, including construction, residential real estate, and services. India has invested in the UAE, primarily in the energy, construction, and finance industries. Both the countries view each other as essential markets for their respective products and services.

Strategically significant connections exist between the United Arab of Emirates and India due to their shared commitment to regional security and prosperity. Among the many areas in which the two countries have collaborated are the struggle against terrorism, regional security, and economic development. The United Arab of Emirates is a vital partner for India's energy security and has supported India's bid for a permanent seat on the United Nations Security Council.

In recent years, diplomatic ties between India and the United Arab of Emirates have grown steadily. Multiple agreements promoting military and security cooperation as well as economic cooperation have been reached between the two countries.

India and the United Arab of Emirates have worked to expand cultural exchanges between their two countries. The Arab is home to the Dubai Festival of Shopping and other Indian cultural celebrations, which attracts a large number of Indian tourists. In addition, the two countries have formalized their commitment to collaborate in the fields of academia, research, and the arts.

Therefore, India and the United Arab of Emirates have a strong relationship based on shared history, culture, economic, and geopolitical interests. Over the past several years, diplomatic ties between the two countries have grown as both parties have made concerted efforts to strengthen their friendship. Both the countries are strengthening their alliance and expanding their cooperation into new areas, which bodes well for the future of their relations.

A renewed UAE interest in India

The United Arab of Emirates and India have maintained close historical and cultural ties. Several factors have contributed to the increased level of interaction between the UAE and India over the past few years.

- The United Arab of Emirates considers the swiftly developing Indian economy and its vast consumer base to be a significant market for its products and services. Commerce and investment between the two nations have increased significantly in recent years.
- The United Arab of Emirates is strategically located between the continents of Africa, Asia, and Europe, and India is one of the most populous and swiftly developing economies in the region. It regards India as an indispensable partner in achieving its foreign policy objectives and a gateway to the rest of the region.

- Due to their respective positions as key hydrocarbon producers and consumers, the United Arab of Emirates and India are both significant participants in the global energy market. India is a vital ally for the United Arab of Emirates in assuring its energy independence, and the two nations share a substantial energy infrastructure.
- The United Arab of Emirates is home to a substantial Indian diaspora, whose remittances are a major economic factor. The Arab country has been working to strengthen ties with the Indian community because India is viewed as a crucial ally in the UAE's efforts to modernize its society and economy.
- India and the United Arab of Emirates have maintained close political ties for many years due to their shared commitment to regional security and prosperity. Counterterrorism efforts, regional stability, and economic development are among the areas in which the two countries have collaborated.

UAE-India commercial ties

India and the United Arab of Emirates are each other's most important trading partners. To strengthen their economic ties, the two nations have collaborated in a variety of areas, including merchandise trade, capital investment, and the energy industry.

The UAE's economic ties are significantly dependent on commerce. The United Arab of Emirates ranks third for India in terms of bilateral trade, while India ranks second for the UAE. Also significant are India's exports to the United Arab of Emirates.

Investments from each nation are secure due to the numerous agreements signed between the two nations to strengthen their commercial ties. A Bilateral Business and Forum has been established to further encourage investment and business cooperation between India and the United Arab of Emirates. It has been instrumental in bridging the divide between the business communities of both India and the United Arab of Emirates.

India and the United Arab of Emirates have robust commercial ties, especially in the investment sector. The United Arab of Emirates is India's largest investor. Multiple agreements have been signed between the two countries to strengthen their investment ties.

The production of energy also plays a significant role in the economic ties between India. The United Arab of Emirates is an active member of OPEC and contributes significantly to global hydrocarbon production. India is one of the largest purchasers of petroleum energy from the United Arab of Emirates. Since establishing the Strategic Energy Partnership, which aims to increase collaboration in petroleum and natural gas, renewable energy, and energy productivity, the two countries have collaborated to enhance their energy coordination.

India and the United Arab of Emirates are each other's most important trading partners. Trade and investment, as well as energy sources, are among the areas in which the two nations have collaborated to strengthen their economic ties.

Cultural relations of India-UAE

The presence of a sizeable Indian population in the United Arab of Emirates has served to strengthen the already robust cultural ties between India and the UAE. Literature, art, music, fashion, cuisine, and film are only a few of the many cultural mediums in which the ties between India and the UAE can be observed.

- The United Arab of Emirates has a large number of Indian restaurants and food stalls due to the popularity of Indian cuisine there. The UAE also hosts many Indian culinary festivals where guests can sample a variety of authentic Indian dishes.
- Recently, a number of Indian designers have exhibited their work in the United Arab of Emirates, where demand for Indian apparel has increased. Typically, Indian women in the United Arab of Emirates wear salwar kameez, lehengas, and sarees, which are all traditional Indian garments.

- Indian musicians frequently perform in the United Arab of Emirates, which has a flourishing music community. Bollywood music is extremely popular and can be heard in many pubs, stores, and other public places.
- Art: Numerous Indian artists have established a presence in the cultural landscape of UAE society, exhibiting their work in exhibitions and galleries across the country. The Art Exhibition is a highly visible venue where Indian artists can display their works.
- Numerous Indian authors have travelled to the United Arab of Emirates to participate in literary activities and book festivals, and the country is home to numerous Indian literature enthusiasts. Indian authors and their works, for instance, are frequently featured at the prestigious Emirates Aviation Festival of Literature.
- Bollywood, which refers to the Indian film industry, has a substantial fan base in the United Arab of Emirates, and Indian films are frequently screened there. Every year, a large number of Indian actors and directors travel to Dubai to partake in the Dubai Film Fest, a significant showcase for Indian cinema.

In addition to their cultural relations, India and the United Arab of Emirates have strong economic ties. UAE is India's third-largest commercial associate and a significant investor in India. Numerous agreements have been negotiated between the two nations to increase their financial cooperation in sectors such as energy, defence, and security.

Significant and expanding economic and cultural connections exist between India and the United Arab of Emirates.

Economic and Commercial relations

The cooperation India have with the UAE in economic and commercial matters is an integral element of bilateral relationship. The relationship between India and the United Arab of Emirates has always been warm and cordial, but it has recently evolved into a significant economic and commercial alliance. Indians have risen to prominence in the UAE's financial sector, and India has become an important export market for the UAE.

Here are several salient characteristics of their commercial and economic ties:

- The United Arab of Emirates is India's third largest commercial partner. The mutual trade between the two nations has increased year after year. While oil and gas are the primary exports of the United Arab of Emirates to India, India sends a wide variety of commodities, including petroleum-based products, valuable stones, and pharmaceuticals.
- The United Arab of Emirates is one of India's largest investors, as UAE-based companies operate in a variety of Indian industries, such as construction, real estate, and hospitality. A number of nations, including India, have invested in the United Arab of Emirates.
- Indian and Emirates corporations are collaborators in a number of enterprises in the energy, construction, and industrial sectors. For instance, the Abu Dhabi National Oil Company (ADNOC) has collaborated with Indian companies to exploit natural gas and oil reserves on the areas of the Indian subcontinent.
- In recent years, Dubai has emerged as a significant hub for Indian companies seeking to expand into the territory of Persian Gulf and along the North Africa region. Dubai has become the regional headquarters for a number of Indian companies seeking expansion into neighbouring nations.
- In 2019, millions of Indian tourists are anticipated to visit the United Arab of Emirates. The UAE recognizes the significance of Indian tourists to its economy and has worked to increase the number of Indian tourists visiting the country.

With more than a million Indians residing and working in the United Arab of Emirates, this country is a significant source of remittances to India. In 2020-21, Indians labouring in the United Arab of Emirates were India's primary source of remittances, sending home billions of dollars.

Alliance for Collective Defence and Security

India and the United Arab of Emirates have developed a stronger security and defence relationship as a result of their shared concerns and priorities regarding security threats in the region. Counterterrorism, maritime security, defence trade, military collaboration, and strategic alliances are just a few of the areas in which the two countries continue to work together to strengthen their ties.

India and the United Arab of Emirates have a significant mutual interest in the struggle against terrorism. Both nations have direct experience with terrorism and thus recognize the need for cooperation in the struggle against this global threat. The two nations have signed agreements to expand their collaboration in this field. The stakeholders have agreed to coordinate their efforts in law enforcement, counterterrorism, and data collection.

India and the United Arab of Emirates collaborate closely on matters of maritime security. In safeguarding the Strait of Hormuz, a bottleneck for international hydrocarbon shipments, the United Arab of Emirates is an essential ally for India. India and the United Arab of Emirates have signed agreements to expand their maritime trade cooperation. The two navies will conduct joint exercises and patrols and share intelligence regarding potential hazards to maritime security.

India and the United Arab of Emirates have a robust security and defence relationship that includes robust defence trade. India is the United Arab of Emirates largest market for exports of military equipment, and the two nations have worked to strengthen their defence trade ties. The agreement between India and the United Arab of Emirates includes the exchange of defence-related information and resources. To further strengthen defence trade ties, the two countries have signed a second military hardware agreement.

India and the UAE have been conducting joint military exercises to enhance their functional capabilities and interoperability. The two nations' militaries participated in the "Desert Eagle II" exercise in Abu Dhabi. The Navy, Air Force, and Indian Army all participated in the exercise, which improved relations between the armed forces of the two countries.

India and the United Arab of Emirates have strengthened their defence connections through the formation of strategic partnerships. Multiple official diplomatic visits have strengthened the defence ties between the two nations, resulting in the formation of a defence collaboration to monitor the relationship.

India and the United Arab of Emirates have developed an effective safety and defence partnership on the basis of their shared concerns regarding the region's security challenges. Counterterrorism, maritime security, defence trade, military collaboration, and strategic alliances are a few of the areas in which the two countries have collaborated to strengthen their ties.

Cooperative Efforts Against Terrorism

India and the UAE have fought terrorism valiantly together for many years. Since combating extremism and terrorism is of mutual importance to both nations, they have taken steps to strengthen their cooperation in this area.

India and the United Arab of Emirates collaborate extensively in the sphere of intelligence sharing. The two countries have been exchanging intelligence regarding terrorist movements, financial transactions, and the dissemination of propaganda through social media platforms. As a consequence, numerous terrorist acts have been prevented and numerous individuals have been apprehended.

The United Arab of Emirates has also assisted India in expelling terrorist suspects. The United Arab of Emirates extradited Christian Michel, a British national wanted in India for his involvement in the AgustaWestland helicopter fraud. Numerous criminals and terrorists have previously been extradited from the UAE to India.

Several agreements have been signed between the two countries to strengthen their collaborative struggle against terrorism. A memorandum of understanding was signed for cooperation against terrorism and organized crime. Included are provisions for the exchange of information, intelligence, and counterterrorism expertise.

India and the United Arab of Emirates have long collaborated to stop the funding of terrorist groups through the exchange of information, rendition, and other means. The two countries signed an agreement to increase their joint efforts to combat money laundering and the financing of terrorism. The funding of numerous terrorist organizations has been drastically reduced as a consequence.

India and the United Arab of Emirates are collaborating on capacity development initiatives to further enhance their ability to combat terrorism. To better respond to terrorist threats, the militaries of the two nations have coordinated exercises. In addition, they have shared information and strategies for preventing and countering terrorist attacks.

In the struggle against terrorism, India and the United Arab of Emirates have a robust working relationship, which is reflected in their level of collaboration.

Alliance for Maritime Safety

India and the Federation of the United Arab of Emirates work nearly together to combat appropriated products, terrorism, and other maritime-affiliated challenges.

The two nations have inked agreements, engaged in physical exertion together, and changed information and intelligence to strengthen their cooperation on marine security.

Sweats to combat pirating are a significant area of collaboration. In order to combat illegal exertion in the Indian Ocean, the United Arab of Emirates, and India have shared in a number of common exercises. One of these exercises concentrated on combating pirating and terrorism, while another aimed to strengthen the cohesion and cooperation between the two nations' nonmilitary forces.

In a bid to strengthen their connections in these fields, the two countries have also inked agreements on maritime transportation collaboration. These agreements stipulate cooperation in coastal safety and security, the forestalments and elimination of marine pollutants, and the exchange of knowledge and experience.

UAE and India have formed a nonmilitary alliance in order to consolidate sweats to enhance maritime safety. The group meets once a month to bandy ways to enhance cooperation in the maritime safety sector and to change information about indigenous maritime operations.

In addition to therians-piracy sweats, the two administrations have been working together to enhance marine sphere enterprises. India and the United Arab of Emirates have begun swapping material data and moxie in order to more comprehend indigenous maritime exertion and help and address maritime security enterprises.

Another area in which India and the UAE have banded is port security. In a trouble to reduce the frequency of lawless exertion, mortal trafficking, and other international offenses, the two countries have been swapping information and coffers on harbourage security.

The robustness of nonmilitary security collaboration between India and the United Arab of Emirates reflects the countries' combined commitment to conserving a safe and secure marine ecosystem in the Indian Ocean.

FTA between India and the United Arab of Emirates

India and the United Arab of Emirates enforced their Comprehensive Economic Partnership and Agreement (CEPA) officially in 2022. By reducing trade walls and promoting profitable collaboration, the convention aims to increase trade and investment between the two countries. Electronic commerce, capital investment, trademarks, and the global exchange of goods and services are implicit motifs of discussion.

Differences in trade laws and regulations between the two countries have been one of the obstacles to progress in the conversations, which have been ongoing since 2018. Still, both countries are committed to subscribing a CEPA because it could be salutary to their husbandry.

CEPA covers a wide range of motifs, including

1. It intends to increase trade between India and the United Arab of Emirates by reducing customs duties and other trade-related walls. Both nations give special consideration to the other's products in order to promote trade.
2. The agreement also protects the service diligence of the two countries. The expanded request access made possible by the agreement will profit service providers from both countries.
3. Enhanced security for enterprises and their capital is one way in which the CEPA encourages India and the UAE to engage in business deals. plutocrat could be readily transferred, and investment matters could be resolved.
4. It encourages India and the UAE to cooperate more nearly on intellectual property issues. It includes protections against violation and tampering, as well as safeguards for intellectual property rights.
5. Also bandied is the expanding significance of electronic commerce in India and the United Arab of Emirates' bilateral trade. The cooperation would grease online commerce by establishing norms for digital autographs and data security.

Significance of the deal

- The agreement will provide India and the United Arab of Emirates with significant benefits, including expanded access to new markets and reduced tariffs.
- India accepted the United Arab of Emirates entry into Jammu and Kashmir in order to advance the common objectives of the United Arab of Emirates, Israel, India, and the United States. India's exporters could gain greater access to markets in West Asia, Africa region, and even certain European nations if ties with the UAE are strengthened.
- A chapter on electronic commerce could be added to the initial production agreements in order to enhance future technological cooperation between the two countries.
- New employment opportunities, wage increases, and expanded economic and social opportunities are anticipated benefits for both nations.
- Paperless commerce, electronic payment methods, and online consumer protections are anticipated to be a part of the electronic commerce infrastructure, along with issues such as the protection of intellectual property in relation to electronic trade and the challenges faced by small and medium-sized businesses.
- A stronger connection between the UAE's chemical products, metallic substances, and dates with the Indian market is a top priority.
- As the United Arab of Emirates has no regulatory barriers, Indian goods can readily enter the other GCC states and nations.
- The United Arab of Emirates is India's third-largest supplier of petroleum products and its second-largest supplier of propane and methane. The next focus of global energy relations will be renewable energy sources.
- It may also help expand international sales of Indian jewellery.
- New employment opportunities, wage increases, and expanded economic and social opportunities are anticipated benefits for both nations.

Difficulties in the Trade Agreement

- Plans for a free trade agreement with the Gulf Cooperation Council (GCC), which comprises Saudi Arabia, Kuwait, Qatar, Oman, Bahrain, and the United Arab of Emirates have languished since 2007 due to a stalemate in negotiations.
- Considering the country's trillion-dollar GDP, Indian businesses are surprisingly modest. None of India's corporate titans have the resources, building materials, or expertise to successfully manage undertakings of this scale when compared to the world's largest corporations.
- Despite the administration's best efforts to expedite the procedure for making investments, international investors continue to encounter obstacles related to the bureaucratic red tape they must endure to launch their projects.
- Historically, difficulties with the law have discouraged foreign investment in India. Two significant investors from the United Arab of Emirates, Etisalat, and Etihad, encountered legal issues, which diminished their enthusiasm. Better simplification of protocols and techniques aids in preventing such complications, though checks and limitations are still required.
- As a result of political diversions, political resolve is necessary. India frequently disregards international affairs in favour of domestic issues.

CONCLUSION

In conclusion, India and the United Arab of Emirates share a rich historical connection and have grown quite close over the past few decades. The economic, geopolitical, cultural, and diplomatic aspects of the two countries' relationship have all been on display. The United Arab of Emirates is the nation's third-largest commercial partner and a significant international investor. Due to India's increasing significance as a market, numerous UAE-based corporations have established regional offices in the nation. Several military, security, and anti-terrorism agreements have been signed as part of the strategic partnership between the two nations, with a focus on enhancing regional stability and safety. UAE has been an essential ally in India's endeavours to achieve energy independence, as it supplies India with a substantial amount of petroleum and natural gas.

Indians constitute a significant portion of the UAE's migrant population, and the two nations' shared cultural heritage has only served to strengthen the ties between them. The United Arab of Emirates has hosted a number of historical events and festivals in India, thereby strengthening cultural ties between the two nations. India and the United Arab of Emirates have robust diplomatic ties because they collaborate to strengthen them. This is evidenced by the UAE's support of India's bid for a permanent seat on the United Nations & Security Council and its ratification of numerous agreements aimed at strengthening bilateral relations.

The future of relations between India and the UAE is bright, with the capacity for growth in several areas. To strengthen their finances and strategic alliance, the two nations have identified collaboration priorities in renewable energy, agricultural safety, infrastructure construction, and medical care. Cultural ties between India and the United Arab of Emirates are already robust and will only grow stronger in the future. India and the United Arab of Emirates are prime examples of how two nations with vastly diverse histories and cultural practices can cooperate. It is a paradigm for how two nations can cooperate for the benefit of their citizens and economic development.