

Forging Ahead: India-UAE Trade Set to Hit USD 100 Billion mark



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India-UAE relationship holds the promise of steering a new global order by 2030



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The bond between India and the UAE has grown tremendously over the years, transforming into a strategic partnership that spans trade, investment, innovation. The UAE is not just a trading partner but a crucial ally to the shared vision of the economic growth of both the nations. This relationship has opened economic opportunities and holds the promise of steering a new global order by 2030. The recent developments, particularly India's Hon'ble Prime Minister, Mr. Narendra Modi's seventh visit to the UAE in February 2024, has paved the way for the signing of seven Memoranda of Understanding (MoUs) across various sectors. These agreements encompass energy and power trade, the India-Middle East-Europe Economic Corridor (IMEEC), digital infrastructure projects, cultural exchanges, and other initiatives aimed at strengthening people-to-people ties.

These advancements build upon the existing Comprehensive Economic Partnership Agreement (CEPA), which has bolstered bilateral trade, facilitated investments, and reduced trade barriers between the two nations. While the India-UAE bilateral trade was projected to exceed USD 100 billion by 2030, it has already reached USD 85 billion as of 2023 and is set to surpass the target ahead of time.

Moreover, IMEEC is poised to redefine the global economic landscape and offer an alternative to China's Belt and Road Initiative (BRI). It will establish a network of railway lines, sea lines, road networks, electricity grids, optical fibre cables, and hydrogen gas pipelines between India-Arabian Gulf-Europe. The economic benefits will extend beyond the partner countries, significantly impacting development projects in agriculture, solar energy, and other sustainable manufacturing practices in Africa, Eastern Europe, and South Asia.

Through this document, our team has formulated five key recommendations to foster growth under this new world order. These recommendations emphasize the role of advanced digital platforms in helping governments create order from chaos, minimize inefficiencies, enable real-time data-driven decision-making, and better visualize scenarios to support holistic socio-economic progress. It advocates the role of technology and its importance of providing a level playing field for MSME products and services providers through bilateral e-commerce platform. Additionally, for sustainable growth, it recommends implementing key environmental measures such as enhancing water credit exchange markets and improving people-to-people linkages.

We hope you find the reading insightful.

India Middle East Europe Corridor is poised to revolutionise the regional development initiatives



Ambassador Anil Trigunayat
Indian Foreign Services (Retd.)

Served in the Indian Missions in Cote d'Ivoire, Bangladesh, Mongolia, USA, Russia, Sweden and Nigeria, Libya and Jordan

The India-UAE partnership is poised to redefine global dynamics by 2030, bolstered by recent developments such as Prime Minister Narendra Modi's seventh visit to the UAE in February 2024, marked by the signing of seven MoUs spanning bilateral trade, energy, infrastructure, and cultural exchange. These agreements underscore the depth and breadth of collaboration between the two nations.

The Comprehensive Economic Partnership Agreement (CEPA), established in 2022, further strengthens bilateral ties by facilitating smoother trade flows, attracting investments, and removing trade barriers. Additionally, India's participation in the India-Israel-UAE-US (I2U2) grouping, and the Abraham Accords has opened new avenues for economic and diplomatic cooperation, solidifying India's position in the region.

At the heart of this partnership lies the India Middle East Europe Corridor (IMEEC), poised to revolutionize regional development initiatives. IMEEC presents an alternative to China's Belt and Road Initiative (BRI), offering economic opportunities across Africa, Eastern Europe, and South Asia. Through IMEEC, streamlined trade operations, reduced carbon emissions, and increased people-to-people contact are expected, paving the way for a more prosperous global order.

For India, this alliance holds immense promise, with expectations of increased trade flows, enhanced foreign investment, job creation, and a stronger global presence. Together, India and the UAE are poised to lead the charge towards a more interconnected, resilient, and inclusive future, setting a new precedent for international cooperation and partnership.



Key Highlights

India-UAE Bilateral Trade set to cross **USD 100 Billion** target ahead of time



The UAE is
India's 3rd largest trading partner
and 2nd largest export destination
(FY 2022-23)



India is
the UAE's 2nd largest trading partner
(FY 2022-23)



Bilateral Trade has reached
USD 85 Bn in FY 22-23
and is expected to cross the 2030 target of USD 100 Bn well before the expected timeline



Prime Minister Modi's 7th visit to the UAE
led to pivotal MoUs on trade, energy, infrastructure, culture & people-to-people initiatives



In 2022, the historic India-UAE **Comprehensive Economic Partnership Agreement (CEPA)** was enacted and came into force



Both countries lead the path for key **Collaborative Ventures** including India-Middle East-Europe Corridor (IMEEC) as well as India-Israel-UAE-US (I2U2) coalition

Forging Ahead: India-UAE Trade set to hit USD 100 Billion mark



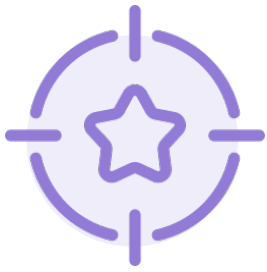
BACKGROUND

Strengthening Ties: India and UAE's Strategic Partnership for Global Advancement

The evolving strategic partnership between India and the United Arab Emirates (UAE) underscores their shared vision for mutual advancement and global influence. Marking a significant milestone, Prime Minister Modi's seventh visit to the UAE laid the ground-work for a series of pivotal Memoranda of Understanding (MoUs), spanning bilateral trade, energy cooperation, infrastructure development, cultural exchange, and people-to-people initiatives. The recent enactment of the India-UAE Comprehensive Economic Partnership Agreement (CEPA) sets the stage for accelerated progress.

Initiatives such as the India-Middle East Europe Corridor (IMEEC) and the emergence of the India-Israel-UAE-US (I2U2) coalition position the two nations to not only compete but potentially surpass established global economic paradigms. These collaborative endeavours promise heightened efficiency, reduced costs, secure supply chains, enhanced trade accessibility, strengthened economic cooperation, job creation, and decreased greenhouse gas emissions, fostering transformative integration across Asia, Europe, and the Middle East.

His Highness Sheikh Khaled bin Mohamed bin Zayed Al Nahyan's first official visit to India on 9-10 September 2024, at the invitation of Prime Minister Narendra Modi, focused on expanding the India-UAE Comprehensive Strategic Partnership. The leaders discussed enhancing cooperation in areas like nuclear energy, artificial intelligence, critical minerals, and green hydrogen. Several MoUs were signed, including agreements on nuclear cooperation, long-term LNG supply, food park development, and crude oil storage. The visit underscored both nations' commitment to strengthening energy security and economic ties. Sheikh Khaled also paid tribute to Mahatma Gandhi at Rajghat and attended a business forum in Mumbai.



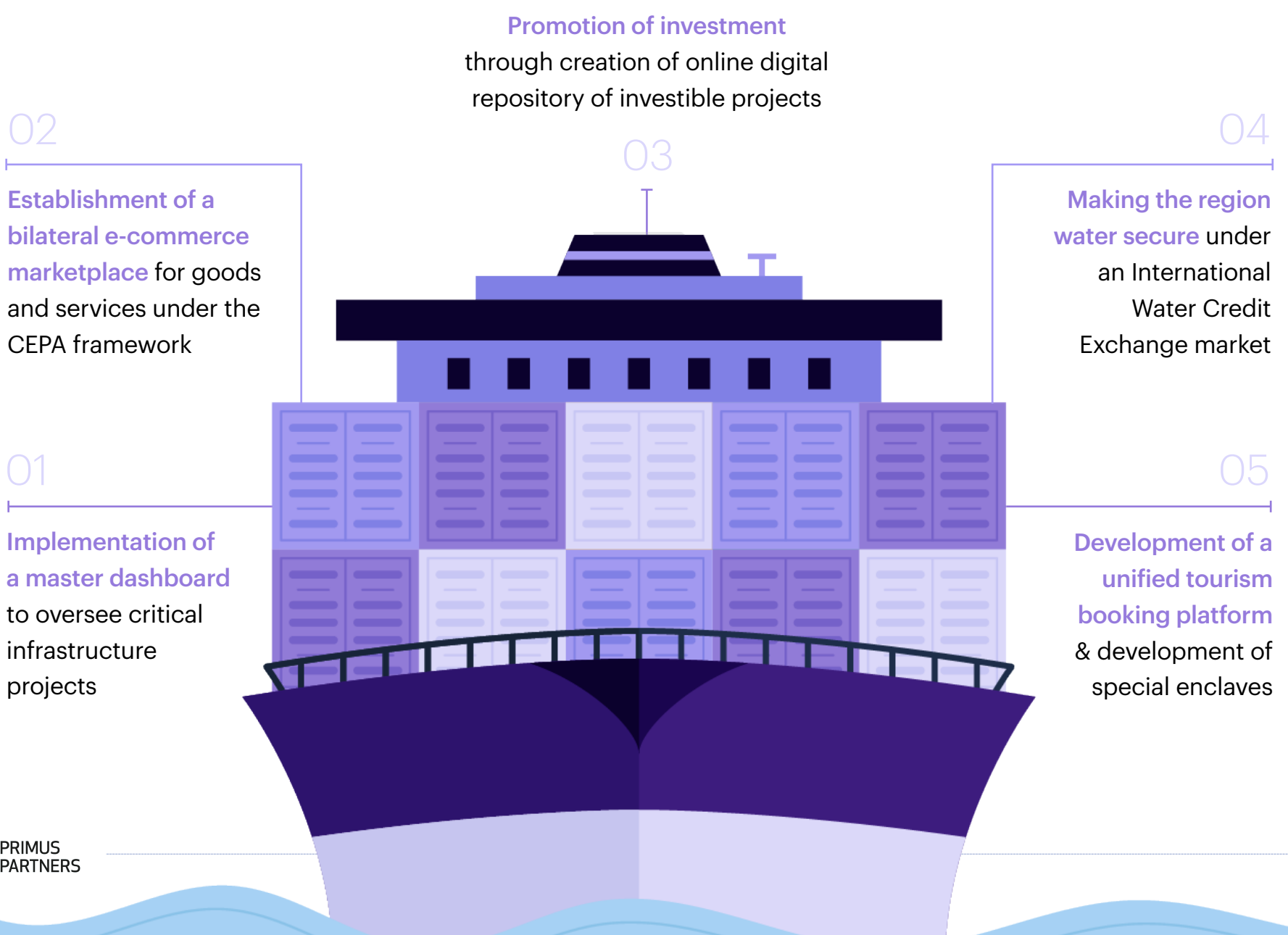
OPPORTUNITIES FOR JOINT EXPANSION BY 2030

UAE-India Economic Partnership: Driving Trade and Investment Growth

As of fiscal year 2022-23, the UAE emerges as India's third-largest trading partner and its second-largest export destination. Reciprocally, India holds the position of the UAE's second-largest trading partner, with bilateral trade reaching USD 85 billion in the same period. The pacts mentioned in the previous section will have a significant impact on achieving the target of USD 100 Billion bilateral trade between the two countries well ahead of 2030 and is expected to surpass the said target. Further, as on December 2023, UAE accounted for 3 per cent of the Cumulative FDI Equity Inflow (April 2000-December 2023) in India which is approximately USD 18 Billion. It is the seventh largest source of FDI inflow in the country and in FY22-23, USD 2.92 Billion worth of FDI equity inflow was received by India from UAE.

It is felt, the impact of this goes beyond numbers. As the partnership matures, India and the UAE can deepen their collaboration by jointly extending their influence into other regions, especially Africa. Leveraging India's burgeoning technological capabilities and the UAE's strategic position as a key transit hub and investment destination, the two nations can foster innovation and economic growth.

In order to drive trade and fuel joint expansion, the following opportunities could be undertaken:



1

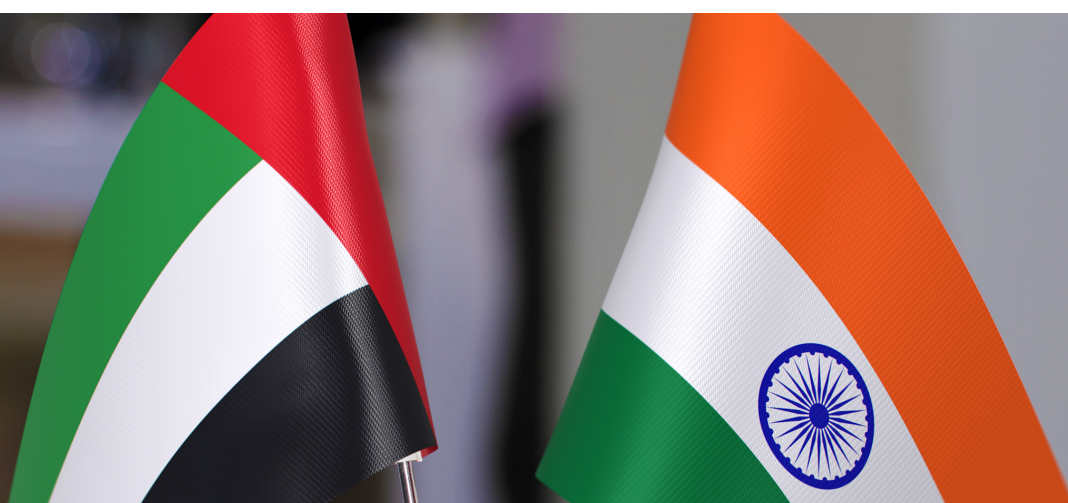


Implementation of a master dashboard to oversee time-bound critical infrastructure projects, particularly within the India Middle East Europe Corridor (IMEEC) framework

India Middle East Europe Corridor (IMEEC) Dashboard: Catalysing Cross-Continental Connectivity and Economic Cooperation

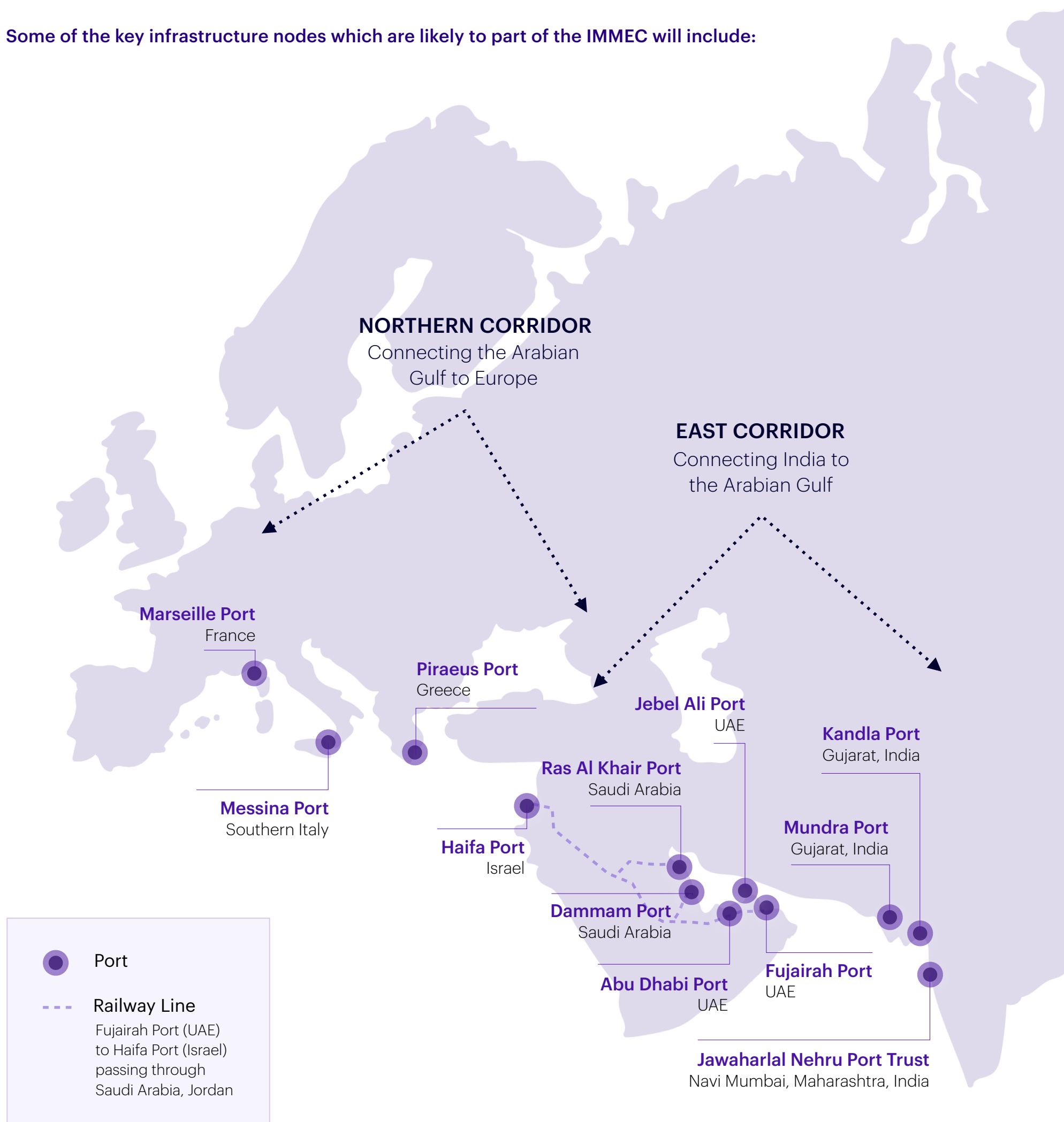
IMEEC will be a cross-continental infrastructure push which helps boost economic co-operation and more importantly people-to-people connectivity across the impacted geographies. Critical infrastructure will include setting up of railways, ports and shipping, road networks, energy infrastructure such as oil and gas pipelines and renewable energy projects, telecommunication networks, economic and industrial parks, custom and border facilities, aviation infrastructure upgrades along with urban infrastructure. This requires not only significant investment but also real-time monitoring on the progress of such projects and identifying infrastructure gaps in different regions, allocating resources strategically to bridge these gaps and ensure equitable development, and encouraging private sector participation in infrastructure development projects. Further, spatial plans for saturating the influence area (typically within a range of 150-200 Km) with relevant socio-economic infra & connectivity will be needed. Based on such infrastructure & connectivity requirements, various projects may be planned (cold storages, warehouses, ropeways, markets, schools, hospitals, etc.) using convergence approach with existing schemes.







It is recommended that by leveraging India's deep expertise in developing similar portals such as its own Gati Shakti – National Master Plan for Multi-modal Connectivity, and UAE's financial acumen, it can significantly lead the path for developing an IMEEC Infrastructure development portal. This will help all the concerned stakeholders in integrated infrastructure planning, data-driven decision making, efficiency and cost reduction, accelerated project timelines, sustainable economic development, and improved transparency.



On the sidelines of G20 Summit under India’s presidency in September 2023, a significant Memorandum of Understanding (MoU) was signed by India, EU, Germany, Italy, France, USA, Saudi Arabia and the UAE. The MoU entailed establishing of IMEEC with railway lines, sea lines, road networks, electricity grids, optical fibre cables, and hydrogen gas pipelines. The IMEEC will comprise two of major corridors viz. East Corridor - Connecting India to the Arabian Gulf and Northern Corridor – Connecting the Arabian Gulf to Europe.

Some of the key infrastructure nodes which are likely to part of the IMMEC will include:



Infrastructure Node	Brief Description
 Mundra Port, Gujarat, India	<ul style="list-style-type: none"> * Largest private port in India (APSEZ) * Handles bulk, container, and liquid cargo * Access to national highways and rail networks
 Kandla Port, Gujarat, India	<ul style="list-style-type: none"> * Handles petroleum products, chemicals, and grains * Well-connected by road and rail
 Jawaharlal Nehru Port Trust, Navi Mumbai, India	<ul style="list-style-type: none"> * Largest container port in India, also known as Nhava Sheva * State-of-the-art container handling facilities * Connectivity through road, rail, and inland waterways
 Fujairah Port, UAE	<ul style="list-style-type: none"> * In Proximity to the Strait of Hormuz * Hub for oil storage and bunkering * Linked to major highways and proposed rail networks
 Jebel Ali Port, UAE	<ul style="list-style-type: none"> * Operated by DP World * Comprehensive facilities for container, bulk, and general cargo * Integrated with Jebel Ali Free Zone (JAFZA)
 Abu Dhabi Port, UAE	<ul style="list-style-type: none"> * Includes Khalifa Port * Advanced container handling capabilities * Connected to national rail network and highways
 Dammam Port, Saudi Arabia	<ul style="list-style-type: none"> * Also known as King Abdul Aziz Port * Handles containers, bulk, and general cargo * Linked to the Saudi railway network
 Ras Al Khair Port, Saudi Arabia	<ul style="list-style-type: none"> * Focuses on industrial cargo * Part of Ras Al Khair Industrial City * Integrated with rail and road networks
 Railway Line	<ul style="list-style-type: none"> * Route: Fujairah Port (UAE) to Haifa Port (Israel) * Passes through: Saudi Arabia (Ghuwaifat and Haradh), Jordan
 Haifa Port, Israel	<ul style="list-style-type: none"> * Major seaport on the Mediterranean coast * Handles containers, bulk, and general cargo * Connected to Israel's rail and road networks
 Piraeus Port, Greece	<ul style="list-style-type: none"> * Operated by COSCO Shipping * Hub for container traffic and passenger ferries * Connected to European rail and road networks
 Messina Port, Southern Italy	<ul style="list-style-type: none"> * Located on the Strait of Messina * Handles containers and bulk cargo * Integrated with Italy's national transport infrastructure
 Marseille Port, France	<ul style="list-style-type: none"> * Major seaport in the Mediterranean * Handles container, bulk cargo, and cruise ships * Connected to the European rail network and highways
 Other Key Infrastructure Developments	<ul style="list-style-type: none"> * Electricity Grids: Integration along the corridor * Optical Fiber Cable: Enhanced digital connectivity * Hydrogen Gas Pipeline: Facilitating hydrogen transportation

2



Establishment of a bilateral e-commerce marketplace for goods and services under the CEPA framework, fostering a common market between India and the UAE

Fostering Sustainable Growth: India-UAE Shared Marketplace through CEPA and ONDC Integration

Given the proximity between India and the UAE and through the signing of **Comprehensive Economic Partnership Agreement (CEPA) between India and UAE** which came into force in May 2022, it is recommended to develop a **shared marketplace for specific non-luxury goods and services** that is essential to each countries' sustainable growth. This initiative will be especially beneficial in enhancing inclusivity and support, boosting digital participation and business opportunities for the MSME sector, as well as for millions of independent service providers who otherwise have limited visibility.

Further, it is recommended that **both the countries leverage The Open Network for Digital Commerce (ONDC), an initiative launched by the Government of India** aimed at democratizing digital commerce by creating an open, interoperable network. ONDC is designed as a departure from the prevailing platform-centric model, wherein it seeks to digitalize the multifaceted marketplace and democratize digital commerce for both buyers and sellers. Accessible through any participating app, ONDC facilitates user connection with sellers across the marketplace, swiftly presenting buyers with diverse choices and transparent information regarding delivery options.

Both the Indian and UAE markets will benefit from ONDC's potential to foster economic growth through three key major attributes, **(a) Interoperability**: Users can access the network through any buyer or seller app due to collaborative efforts, eliminating platform constraints, **(b) Unbundling**: ONDC dissects intricate systems into microservices, enabling independent handling of seller-side operations, logistics, payments, and buyer-side activities by different entities; and **(c) Decentralization**: Control over data availability and transaction details resides with both buyers and sellers, emphasizing a decentralized approach.

This decentralized, interoperable, and unbundled nature positions ONDC to benefit consumers, service providers, and various apps in the digital commerce ecosystem, facilitating economic growth for the region.

3



Promotion of investment through the creation of an online digital repository highlighting investible projects in identified sectors

Accelerating Bilateral Investments: Digital Repository for Strategic Project Opportunities

In February 2024, India and United Arab Emirates (UAE) concluded seven agreements including a Bilateral Investment Treaty (BIT).

A quick recap of investments from either country will show that both the countries have significantly increased their investment portfolio in the region.

Some of the prominent Indian investments in the UAE include:



In February 2018, a consortium led by India's state-owned **Oil and Natural Gas Corporation (ONGC)**, alongside **Indian Oil** and **Bharat PetroResources**, secured a 10% stake in the **Lower Zakum Concession**. This agreement signified the Emirate of Abu Dhabi's first instance of granting a stake in an operational oil field to an Indian entity.



Headquartered in Mumbai, **L&T** is a multinational company from India with diversified business interests spanning engineering, construction, manufacturing, information technology, and financial services. Through its **subsidiary, L&T Gulf**, the company is currently involved in various construction projects across the UAE and other Gulf countries.



The Oberoi Group is an Indian Hospitality chain founded in 1934. In UAE, the group has 5-star hotels, villas and properties in Dubai, Abu Dhabi, Ajman.

Some of the prominent investments from the UAE in India include:

(Source: Invest India)



EMAAR Group announces a USD 60 million investment in Srinagar, Jammu and Kashmir, for the development of an office and shopping complex named 'Mall of Srinagar'.



Mubadala Investment Company, the sovereign investor of Abu Dhabi, and the British Columbia Investment Management Corporation, a Canadian pension fund, have both joined as anchor investors in **Cube Highways Trust**, an infrastructure investment trust (InvIT) in India.



Lulu Group plans to establish a **food processing and logistics centre** to acquire and process agricultural produce for export to Middle Eastern countries.



Global supply chain solutions company, **DP World**, has signed an **MoU with Government of Gujarat** for an investment of INR 10,000 Cr to develop logistic infrastructure in the state.



Shobha Developer of the UAE has also planned to invest in **Ahmedabad Riverfront Phase-2**.



Abu Dhabi Investment Authority (ADIA), the UAE's largest sovereign wealth fund (SWF), invests USD 500 Million in **Lenskart**. Further, the AIDA is also poised to **establish a fund worth US\$4-5 billion for investments in India through the tax-neutral finance hub in Gujarat**. This initiative was revealed during the state's investment summit held in January this year, following its initial announcement in July of the previous year.

In order to boost faster grounding of investments, we recommend creating a digital repository of all major investible projects in the region. This repository will provide clear and comprehensive information about the projects, making them attractive to potential investors, particularly in strategic sectors such as clean energy, physical and digital infrastructure, tourism, pharmaceuticals, agriculture, and semiconductors.

A clear action strategy will include creating a centralized digital platform with standardized project profiles. These project profiles should include – Project overview, long-term business plan, financial plan (revenue projections, cost structure, profitability, and cash flow statements), funding requirements, risk analysis and mitigation strategies, project implementation plan, legal and regulatory compliance, sustainability and impact assessment, exit strategy and other supporting documents deemed necessary.

Integration with the investment promotion arms of the respective countries will help develop and market the repository further. It will also support the investor aftercare services, including follow-up and support for existing investors.

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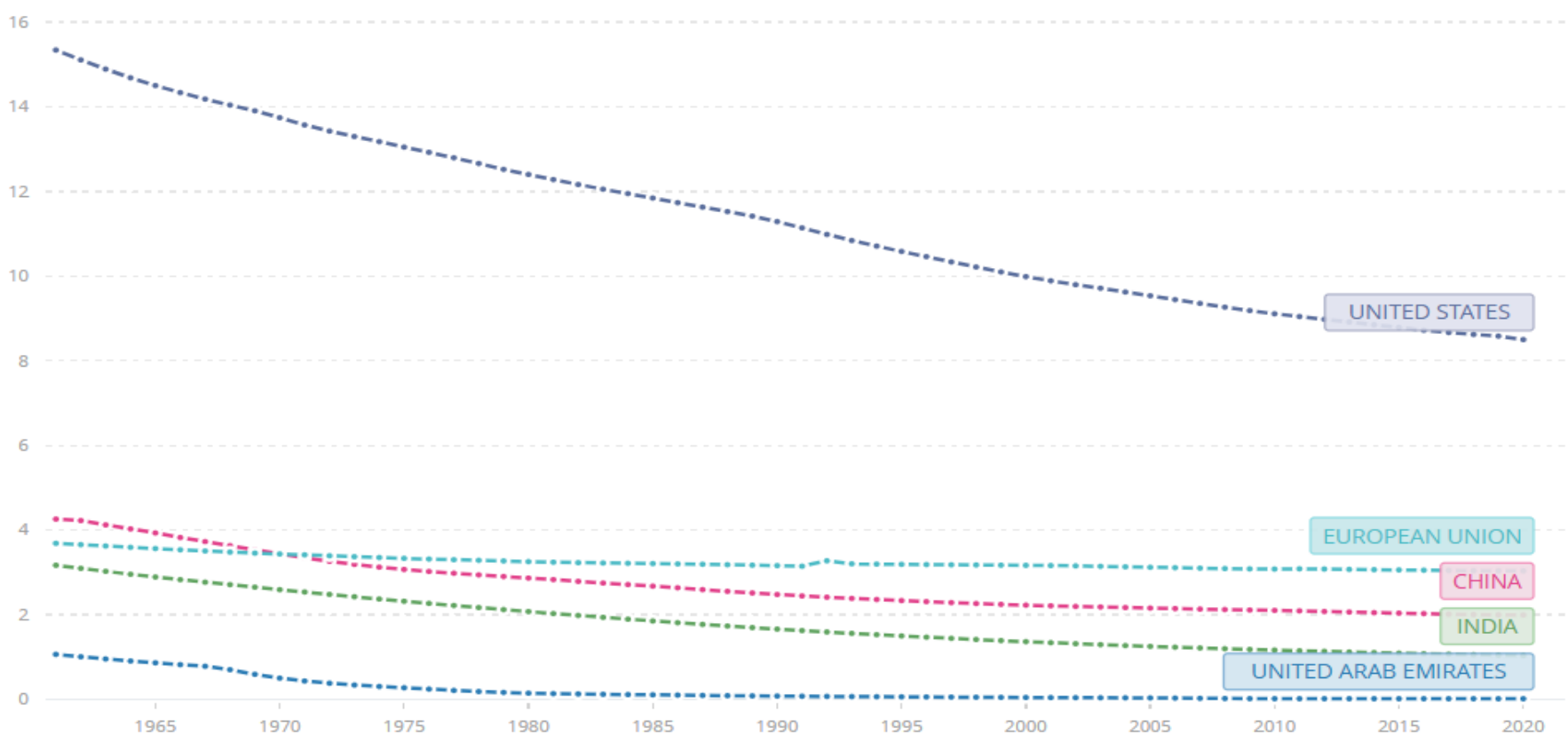
Making the region water secure under an International Water Credit Exchange Market

Promote water security to sustain global growth operations

Water is scarce and essential for life, livelihoods, and development. India and UAE face water insecurity due to high population density, inefficient agriculture, groundwater depletion, aridity, high consumption, and reliance on desalination. In India, nearly 600 million people face high to extreme water stress, with renewable internal freshwater per capita water* resources dropping from 3,169 to 1,036 cubic meters in 60 years. In UAE, resources have decreased from 1,064 to 16 cubic meters per capita. Current per capita water resources are 1,993 cubic meters in China, 8,500 in the US, 3,037 in the EU, and 251 in the Arab world.

Comparative Trend on Renewable Internal Freshwater Resources per Capita (cubic meters) -

United Arab Emirates, India, United States, China and European Union (Source: Food and Agriculture Organization, AQUASTAT data)



*Renewable freshwater per capita water resources refer to the total amount of fresh water that is available to each person in a specific region or country on an annual basis. This measurement includes surface water (like rivers and lakes) and groundwater that is replenished through the natural water cycle, including precipitation and the inflow of water from other sources. It is typically expressed in cubic meters per person per year and is used to assess water availability and potential stress on water resources in a given area.

To address these challenges, water credit initiatives have been launched in India. Water.org, a US-based non-profit, started this initiative with Indian NGO Gramalaya in 2004. Recently, packaged water company, Bisleri announced its intent to introduce water credits like carbon credits, to make beverage makers more accountable for water usage.

India and UAE should lead the way in forming an International Water Credit Exchange Market, involving governments, the private sector, NGOs, and academia. This collaborative effort would create a platform for trading water credits, like carbon credits, promoting sustainable and efficient water use globally. Such a market would incentivize responsible water management practices and facilitate the redistribution of water resources from regions with surplus to those experiencing scarcity.

By leveraging the expertise and resources of diverse stakeholders, this initiative could drive innovative solutions, enhance water conservation efforts, and ensure equitable access to quality water for all, ultimately contributing to global water security and sustainability.

It is proposed that this strategic water credit exchange market will focus on the following:



Provide a platform for knowledge dissemination and develop a policy framework through (i) Cap-and-trade systems with allocated water credits, (ii) Trading excess credits to incentivise conservation, and (iii) Offset projects like efficient irrigation and wastewater recycling to generate additional water credits



Enable stakeholder cooperation and sustainable investment in technologies related to water management – sourcing, distribution, storage, usage, and reuse.



Act as a forum to scale up the local initiatives undertaken to provide universal access to water, development and rejuvenation of water sources, rainwater harvesting, water and liquid waste management, reduction of non-revenue water etc.



Aid in development of a policy framework to create water secure cities, define a reforms roadmap to address key water challenges, attract private sector investments, enable individual as well as institutional capacity building and ensure efficient allocation and utilization of funds.



Using water credits to fund small water enterprises at scale, improve water security and simultaneously contribute to climate change mitigation by leveraging smart information technology solutions on management of water resources to enable scientific planning and utilizing innovative low-cost technologies.

It is recommended that the proposed mandate for such an alliance should include:



Create a **policy framework to facilitate private sector investments** in the water sector and ramp up the deployment of low-cost water sector technologies by promoting innovative financial mechanisms such as use of water credits.



Support **capacity building** at various national, sub-national, and local governments to develop regulatory framework to establish clear regulations and standards for water credit issuance, trading, and compliance.



Coordinate, promote, and represent the collective interests of member countries in water supply, wastewater management, and circular water economy, and develop online platforms or exchanges where water credits can be bought and sold, like carbon credit exchanges.



Promote a **common cyber platform for networking**, cooperation, and exchange of ideas among member countries on water supply and wastewater management:

- ▶ Independent bodies verify and certify water-saving projects to ensure credibility and prevent fraud
 - ▶ Improves public health by providing access to clean water
 - ▶ Best practices on continuous monitoring and transparent reporting to track water use and credit transactions
 - ▶ Involves local communities in project development, ensuring the projects meet their specific needs
-



Create **guidelines and framework for sustainable water eco-system** to identify and develop water projects that can encourage entities to adopt water-saving technologies and practices, provide financial rewards for those who invest in water conservation, facilitates the redistribution of water resources from areas of surplus to areas of scarcity and reduces water stress and promotes sustainable water management, benefitting ecosystems.



Facilitate and promote collaborative Research & Development (R&D) activities in water technologies among member countries - safe water systems, borehole rehabilitation, solar-powered water pumps etc.

5



Development of a unified tourism booking platform and development of special enclaves catering to luxury, religious, and business travel within the common market

Encourage people-to-people connect and drive businesses in the region

The previously mentioned four initiatives will foster high level of people-to-people contact within the two countries. This will certainly create a robust demand for luxury, religious and business travel. Therefore, it is **suggested that a seamless and comprehensive booking experience, tailored travel options, and enhanced convenience is developed**. It will boost business in the region and increase visibility and access to a wider audience, leading to higher bookings and revenue. In addition, for the overall economies of the two countries, it will help to boost in tourism revenue, job creation, and promotion of cultural heritage and local businesses.

A **special enclaves development approach to tourism development is recommended** catering to unique requirements for different segments. For example, under luxury travel enclaves' exclusive resorts and hotels, bespoke experiences such as yacht tours, gourmet dining, and personalized retreats along with exclusive access to private beaches and VIP services may be offered to travellers and the expat community.

For religious travel enclaves, budget friendly as well as premium stays may be designed for travellers. This may be extended to spiritual services as well as wherein facilities for meditation, religious ceremonies and guided tours to holy sites may be provided.

And lastly, under business travel enclaves, business-centric hotels equipped with conference rooms, meeting facilities, high-speed internet, business lounges, and executive transport and coworking spaces may be put under the unified platform. This will provide for travellers to conduct networking events such as business events, trade shows, and networking sessions to foster connections.

Thus, it may be concluded that India and UAE are in the direction of moving towards higher economic co-operation. To further accelerate the growth trajectory, some of the steps suggested above may help both governments and boost economic windfall to more than 1.5 billion people in the region!

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Analysis:

Indian Exports to UAE and how UAE's Free Trade Agreements help boost trade in the region

India's export to UAE has seen a steady increase in the last five years. As of FY24, **India's exports to UAE now stands at USD 35.6 Billion** which is 8.2% of its global exports. ¹ The CAGR for Indian exports to UAE in the same period stands at 5.4%. The Indian export basket to UAE include more than 7,500 diverse products.

India's key exports to the UAE encompass a range of products including precious metals, stones, gems and jewellery, minerals and refined petroleum products, an assortment of food items like cereals, sugar, fruits, vegetables, tea, meat, and seafood, textiles such as garments, apparel, synthetic fibres, cotton, and yarn, along with engineering and machinery products and chemicals.

¹ Source: Trade Statistics, Department of Commerce, Ministry of Commerce and Industry, [Export Import Data Bank \(commerce.gov.in\)](https://commerce.gov.in) accessed on 11 July 2024.

India's Export to UAE vis-a-vis World

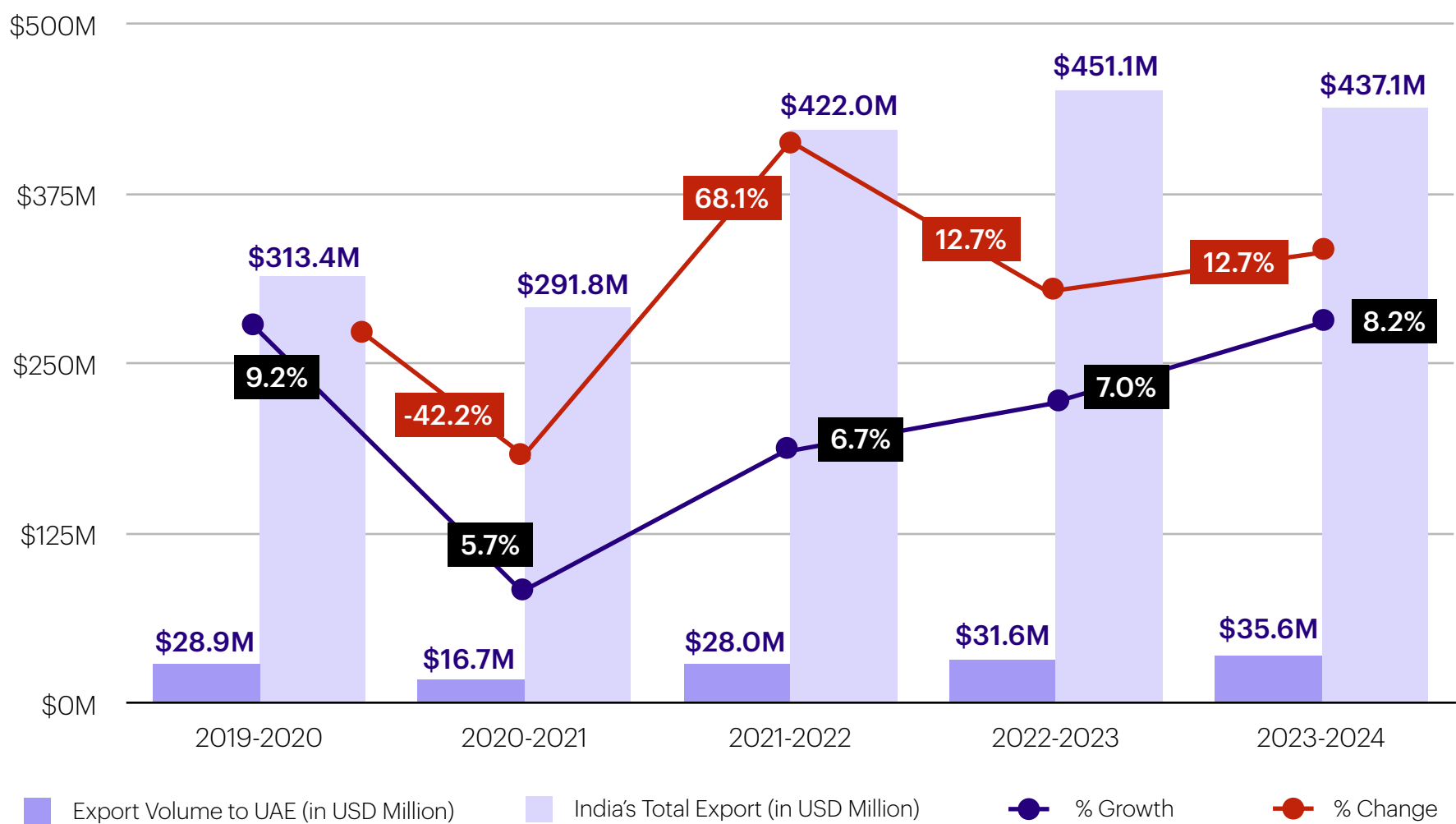


Table 1 Top Exports from India to UAE (in USD Million)

Commodity	FY 2022-2023	FY 2023-2024
Mineral fuels, Mineral oils and Products of their distillation; Bituminous substances; mineral waxes.	8,681.78	8,236.65
Natural or cultured pearls, precious or semiprecious stones, pre-metals, clad with pre-metal and articles thereof; imitation jewellery, coins.	5,772.47	8,043.08
Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts.	3,650.03	3,538.86
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	1,074.13	1,363.65
Tanning or dyeing extracts; tannins and their Dyes, pigments and other colouring matter; paints and putty and other mastics; inks.	118.01	1,036.55
Ships, boats and floating structures.	582.10	922.97
Organic chemicals	637.84	881.82
Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.	715.94	810.84
Iron and steel	1,050.52	648.84
Essential oils and resinoids; perfumery, cosmetic or toilet preparations.	412.46	634.88
Articles of apparel and clothing accessories - knitted or crocheted.	697.31	618.57



Role of Comprehensive Economic Partnership Agreement (CEPA)

How the Free Trade Agreement can boost exports in the region

CEPA is acting as a growth engine for Indian exports in the region. This is particularly visible in the FY23 and FY24, where growth has been at 12.7% per annum. CEPA has fundamentally unlocked trade for both the countries through tariff elimination, is expected to accelerate growth of annual bilateral non-oil trade to US\$100 billion and trade in services to over US\$15 billion in the upcoming five years. Other than aluminium, copper and petrochemicals, pharmaceutical, and agricultural products, the deal also covers services, investments, intellectual property, and a commitment by the UAE to grant 140,000 visas to highly skilled workers from India by 2030.

Additionally, the CEPA is also expected to generate one million jobs in India's export-oriented and labour-intensive industries like Mineral Fuels; Electrical Machinery (particularly telephone equipment); Gems & Jewellery; Automobiles (Transport vehicles segment); Essential Oils/Perfumes/Cosmetics (Beauty/Skin care products); Other Machinery; Cereals (Rice); Coffee/Tea/Spices; Other Agri Products; and Chemical Products.

Further, CEPA can serve as a gateway for India to Middle East and the wider markets in the region. This is particularly true for Indian investors setting up offices in the free trade zones, which offer over 100 per cent repatriation of profits along with exemption of taxes and customs.

Moreover, CEPA will help in providing the Indian exporters with access to GCC states (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) and with countries who have Free Trade Agreements with UAE such as EU, Singapore, Arab countries in the neighbourhood and parts of North Africa.



About Primus Partners

Primus Partners has been set up to partner with clients in ‘navigating’ India, by experts with decades of experience in doing so for large global firms. Set up on the principle of ‘Idea Realization’, it brings to bear ‘experience in action’. ‘Idea Realization’— a unique approach to examine futuristic ideas required for the growth of an organization or a sector or geography, from the perspective of assured on ground implementability.

Our core strength comes from our founding partners, who are goal-oriented, with extensive hands-on experience and subject-matter expertise, which is well recognized in the industry. Established by seasoned industry leaders with extensive experience in global organizations, Primus Partners boasts of a team of over 250 consultants and additional advisors, showcasing some of the finest talent in the nation.

The firm has a presence across multiple cities in India, as well as Dubai, UAE. In addition, the firm has successfully executed projects across Africa, Asia Pacific and the Americas.

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KOLKATA

Siddhartha Apartments
4th Floor, 188/2,
Block J,
New Alipore,
Kolkata - 700053



MUMBAI

601, 6th floor,
Raheja Centre,
Nariman Point,
Mumbai,
MH - 400021