

27– 02 – 2024

News: India – United Arab Emirates (UAE) Relations

- Recently, **India and the United Arab Emirates (UAE)** have signed eight pacts to bolster cooperation in key areas such as investments, electricity trade and digital payment platforms.

Key Highlights of the Pact Signed Between India-UAE

Interlinking of Digital Payment Platforms

Interlinking of UPI and AANI

- The **two countries** signed agreements on interlinking of digital payment platforms- UPI (India) and AANI (UAE).
- This will **facilitate seamless cross-border transactions** between India and UAE, enhancing financial connectivity and cooperation.

Interlinking Domestic Debit/Credit Cards (RuPay and JAYWAN)

- Both **countries** signed a pact on interlinking domestic debit/ credit cards — RuPay (India) with JAYWAN (UAE).
- It is an **important step** in building financial sector cooperation and it will enhance the universal acceptance of RuPay across the UAE.

- UAE's domestic card JAYWAN is based on the digital RuPay credit and debit card stack.

Bilateral Investment Treaty

- Both Countries signed Bilateral Investment Treaty (BIT), which is seen to be a “Key Enabler” for further investments in both countries.
- UAE has been a significant investor in India's infrastructure sector.
- In 2022-2023, UAE was the fourth biggest FDI (Foreign Direct Investment) investor for India. It has committed to invest USD 75 billion in India's infrastructure sector.

Intergovernmental Framework Agreement on India-Middle East Economic Corridor (IMEC)

- It aims to be built to foster India-UAE cooperation, furthering regional connectivity. The IMEC was announced on the sidelines of the G20 leaders' summit in New Delhi in September 2023.

Energy Cooperation

- The two sides also signed pacts on cooperation in the field of electrical interconnection and trade, which “opens new areas of collaboration in the field of energy, including energy security and energy trade”.
- UAE being among the largest sources of crude and LPG, India is now entering into long-term contracts for LNG.

Cultural Cooperation

- The two countries signed a “cooperation protocol between the National Archives of the two countries” to restore and preserve archival material.
- Both countries aimed at supporting the Maritime Heritage Complex at Lothal, Gujarat”.

Gratitude for BAPS Temple Construction

- India thanked the UAE for its support in granting land for the construction of the BAPS Temple in Abu Dhabi, emphasizing the significance of the temple as a symbol of UAE-India friendship and cultural bonds.

Port Infrastructure Development

- Agreements signed between RITES Limited and Gujarat Maritime Board with Abu Dhabi Ports Company to enhance port infrastructure and connectivity between India and the UAE.

Bharat Mart

- The foundation stone of Bharat Mart, which will combine retail, warehousing and logistics facilities at Jebel Ali Free Trade Zone in Dubai, was laid by the Indian Prime Minister.
- Bharat Mart can potentially play a key role in promoting the exports of India's micro, small and medium sectors by providing them with a platform to reach international buyers in the Gulf, West Asia, Africa and Eurasia.