

Economic Diplomacy Division Ministry of External Affairs

Weekly Newsletter
12th to 18th February

Insights

Last week, Prime Minister Narendra Modi concluded his visit to Qatar and the United Arab Emirates (UAE). He said this visit added "new vigour" to the bilateral friendship and underlined that India looks forward to scaling up cooperation with the Middle East in key sectors like trade, investment, technology and culture. PM Modi's visit was significant as it came a week after Qatar released eight Indian nationals who were sentenced to death after being arrested here in August 2022.

PM Modi also met with UAE Prime Minister Sheikh Mohammed bin Rashid Al Maktoum to discuss bilateral cooperation. This visit is important for both countries as the UAE is also India's second-largest export destination and the fourth-largest overall investor in India. The Comprehensive Economic Partnership Agreement (CEPA) between India and UAE aims to increase employment opportunities and bilateral trade in goods to US\$ 100 billion in five years and trade in services up to US\$15 billion. On February 1, the Indian government approved the Bilateral Investment Treaty (BIT) with the UAE.

Fintech and Energy Security are also important pillars of the India-UAE partnership. UAE is the third largest oil exporter to India from the region after Saudi Arabia and Iraq and is the only nation from the region that has offered to store strategic oil reserves in India. Thus, India-UAE ties are strategically important, with India recognising the UAE's role in the Middle East region. At the same time, the UAE views India as a partner, helping its growth as a global leader.

"My visit to Qatar has added new vigour to the India-Qatar friendship. India looks forward to scaling up cooperation in key sectors relating to trade, investment, technology and culture. I thank the Government and people of Qatar for their hospitality," - **PM Modi on X**

National

Assam to get a semiconductor packaging plant soon: Govt

Assam will have an INR 25,000 crore semiconductor packaging plant, which will be established in partnership with the Assam government and Tata Group, according to Minister of State for Electronics and IT Rajeesh Chandrasekhar, speaking at the futureSKILLS Summit in Guwahati.

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India's January exports up 3%, trade deficit at a 9-month low despite Red Sea crisis

India's merchandise trade deficit narrowed to \$17.49 billion in January, the lowest in nine months, as exports increased by 3.1% year-on-year despite the ongoing crisis in the Red Sea disrupting trade as commercial vessels traversing through the Suez Canal face attacks.

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India's auto retails rise 15% in Jan riding record PV sales; a tough Q4 awaits for CVs: FADA

Overall auto retail market expanded 15% in January annually, FADA data showed on Tuesday. While all segments posted a double-digit growth, commercial vehicles saw a 0.1% growth, and the auto body has warned of a demand taper in the final quarter of this financial year.

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Fresher Hiring Intent Climbs by 6% in India: TeamLease

The fresher hiring intent is at 68% as against 62% in HY1 of 2023. According to the report, hiring intent is a measure that represents the percentage of employers likely to hire fresh graduates during the six months under consideration.

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Bilateral

PM Modi holds talks with Qatari Emir Tamim bin Hamad Al Thani

Upon his arrival in Doha, PM Modi held discussions with his counterpart, Sheikh Mohammed bin Abdulrahman Al Thani, focusing on ways to strengthen ties between New Delhi and Doha.

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US automobile major Tesla may head to India on incentive-paved road

US electric automaker Tesla could soon set up shop in India, with the government close to finalising a policy to extend concessional import duties on electric cars exceeding INR 30 lakh (about US\$36,000) for 2-3 years.

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Trade deficit in Jan dips as imports fall more than exports

The merchandise trade deficit narrowed to US\$ 17.49 billion in January from US\$ 19.80 billion in December, largely because imports declined to US\$ 54.41 billion against the US\$ 58.25 billion recorded in December, commerce ministry data showed.

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India-UK FTA: Trade talks taking time to safeguard India's national interests

According to senior commerce ministry officials, the negotiations are at a senior level, aiming to iron out remaining differences. The officials, however, declined to give a timeline for completing the talks.

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Multilateral

13th WTO Ministerial Conference: Trade in a fragmented world

India, on behalf of developing economies, will pitch for provisions like SSMS and identification of SPs to help developing countries defend concerns of food security, farmers' livelihoods, and rural development

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India initiates anti-dumping probe into imports of solar glass from China, Vietnam

The Commerce Ministry's investigation arm, Directorate General of Trade Remedies (DGTR), is probing the alleged dumping of 'Textured Tempered Coated and Uncoated Glass' made or from China and Vietnam.

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Indian consumer electronics break boundaries; export surge to the US and Europe

Companies like Havells, Dixon, Voltas and Blue Star have said in their December quarter earnings call that they are forming a base for exports in developed nations like the US.

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PM holds bilateral meetings with UAE, Madagascar counterparts on the sidelines of World Govt Summit

PM Modi met with UAE Prime Minister Sheikh Mohammed bin Rashid Al Maktoum to discuss bilateral cooperation and also reaffirmed India's commitment to strengthen the India-Madagascar partnership and support.

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Editorial

Old-fashioned trust and credibility bind India-UAE ties

It is a bond where trust and credibility outweigh diplomatic reciprocity and protocol, where a convergence of strategic interests is bolstered by regular interactions to lay the foundations of one of India's most dynamic and consequential bilateral relationships. Much of this is on display during PM Modi's ongoing visit to the UAE for the third time in barely eight months. He had made a bilateral visit in July 2023 followed by one for COP28 in November, where he was given the rare honour of being the only visiting dignitary to address the ceremonial opening session.

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