

Dubai and India - An increasingly close Strategic Partnership

* Feryal Ahmadi



Trade between India and the Arabian Peninsula dates back to over 5,000 years and the relationship continues to grow from strength to strength. Arab and Indian merchants exchanged and bartered pearls, copper and pottery for textiles, rice and spices from the very beginning and today, the UAE's ports and free zones stand as the gateways for the bulk of India's trade and shipments with the rest of the world.

The two countries have a strategically significant relationship that is robust and ever-expanding. Bilateral trade between the UAE and India has grown substantially over recent years, reaching \$60 billion during FY2018-19, and is targeted to reach a staggering \$100 billion by 2020. These strong trade partnerships make the UAE India's third-largest bilateral trade partner after the U.S. and China. Additionally, the UAE is one of India's top ten investors, with FDI of \$5.33 billion across fast-growing sectors including renewable energy, tourism and real estate.

At the heart of this relationship is an understanding that we have forged a long lasting partnership with each other. The GCC-India Free Trade Agreement is a display of this partnership in motion, and at the end of 2018, the UAE and India inked a landmark currency swap agreement, allowing the two countries to trade in rupees and dirhams as opposed to the dollar. It is through initiatives such as these that barriers are removed, strengthening the symbiotic relationship between the two

nations.

The way the two economies are interconnected is not only down to a commercial history. Over time, this has widened substantially to include closer cultural and social interaction. Today, Indian expatriates represent 30% of the UAE's population and over 1,000 flights connect India and the UAE every week.

In the past year, there have been numerous high-profile delegations commissioned from the UAE to India and vice versa, making a concerted effort to strengthen this partnership. In August 2019, Prime Minister Narendra Modi visited the UAE to be awarded our highest civilian honour, the Order of Zayed.

It is the strength and growth trajectory of this relationship that makes Dubai the first choice for any Indian company looking to expand overseas. Dubai is a global trade, transport and finance hub, offering India an entry into Europe, the Middle East and Africa. Historically, trade between the two countries has centered around commodities - pearls, tea, metals and precious stones to name a few. With world-class infrastructure, combined with ease of doing business and strong and effective governance, the Dubai Multi Commodities Centre (DMCC) is perfectly positioned to partner with India in fostering an even closer trading relationship.

India is an important market for DMCC. It is a fast-growing major economy, a newly industrialized country, and the world's largest democracy. Over the years, we have attracted over 2,500 Indian companies and we have over 20,000 Indian nationals working within DMCC.

These inspiring Indians have influenced the everyday lives of people in the UAE for decades and continue to make an immense economic contribution to the UAE. DMCC's member companies contribute 10% to Dubai's GDP, a significant part of which is due to the unrelenting efforts of Indian companies and individuals.

DMCC looks forward to what the future holds for our two proud nations. With a strong foundation of mutual respect and trust, ties between Dubai and India will continue to flourish. ■

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