



UIBC

Abetting UAE-India Alliance

UIBC NEWSLETTER

JANUARY 2024

KEY HIGHLIGHTS

UAE'S PRESIDENT: VISIT TO INDIA Chief Guest at Vibrant Gujarat Global Summit 2024



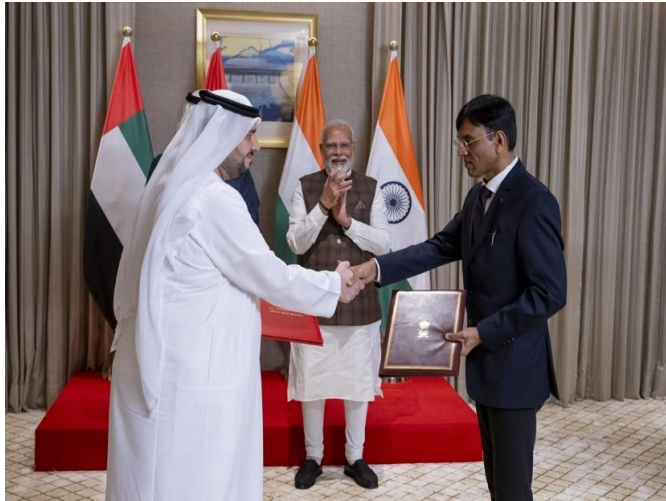
H.H. Sheikh Mohamed bin Zayed Al Nahyan, President of UAE and Shri Narendra Modi, Prime Minister of India discuss ties

UAE's President His Highness Sheikh Mohamed bin Zayed Al Nahyan was the Chief Guest at the Vibrant Gujarat Global Summit 2024, further emphasising the growing cooperation and strengthening relations between the two nations. The Summit was held from 10-12 January 2024 at Gandhinagar, Gujarat.

The Prime Minister of India, Shri Narendra Modi, extended a warm welcome to H.H. Sheikh Mohamed bin Zayed Al Nahyan and remarked that India cherishes his thoughts and efforts to boost India-UAE ties. India-UAE trade rose to USD 85 billion in 2022, making the UAE India's third-largest trading partner for the year 2022-23 and India's second-largest export destination. In February 2022, India became the first country with which the UAE signed a Comprehensive Economic Partnership Agreement (CEPA). The bilateral trade has increased by approximately 15% since the entry into force of the CEPA on 1 May 2022.

UAE-India trade: During the talks, both sides emphasised their mutual commitment to expanding the scope of bilateral relations, particularly in the areas of the economy, energy, technology, climate action, and sustainable development. Following the meeting, the UAE Ministry of Investment signed three Memorandums of Understanding (MoUs) with India. **The three MoUs are between the Ministry of Investment of the UAE and:**

- The Ministry of New and Renewable Energy of the India on investment cooperation in the renewable energy sector
- The Ministry of Food Processing Industries of India on investment cooperation in food park development
- Ministry of Health and Family Welfare of India on investment cooperation in innovative healthcare projects



MoU on investment cooperation in the renewable energy sector

- Investment cooperation in renewable energy projects to be implemented in India under the agreement can reach up to 60 gigawatts.
- In support of global efforts to tackle climate change, a transition to clean energy is a priority for India.
- The country aims to achieve net-zero emissions by 2070 and meet

50 per cent of its electricity requirements from renewable energy sources by 2030.

- As a result, there are plans to increase India's renewable energy capacity to 500 gigawatts, reduce the emissions intensity of its economy by 45 per cent and reduce one billion tons of carbon dioxide.
- The Indian government estimates that the country's shift onto a low-carbon path will require more than USD10tn of new investments by 2070.
- The MoU between the UAE and India focuses on forging effective collaboration by building relationships between public and private organisations.
- The agreement additionally proposes the implementation of incentives to support pertinent initiatives and aims to facilitate the exchange of knowledge.



MoU on investment cooperation in food park development

- Under the agreement, the parties are committed to developing food park projects and driving other initiatives in the food processing sector that contribute to global food security.
- The investment cooperation aims to harness cutting-edge agritech, clean tech, and renewable energy solutions, symbolising a significant partnership between the UAE and India.

- The MoU centres on establishing robust and efficient collaboration through the development of bilateral relationships between public and private organisations.
- The agreement also proposes introducing incentives to bolster relevant initiatives and seeks to facilitate the exchange of knowledge.
- Food processing is considered a "sunrise sector" in India, which is boosted by the Mega Food Park Scheme, a key government initiative launched in 2008 aimed at providing modern infrastructure facilities for food processing along the value chain.
- The Scheme provides financial support to public and private entities in setting up clusters of food processing units, known as "food parks", which bring farmers,

processors, and retailers together and utilise advanced climate technology to minimise waste, conserve water and maximise crop yields. India currently has 24 operational mega food parks, with numerous others at various stages of implementation.

- India's food processing sector is one of the largest in the world, developing at an average annual growth rate of 8.3 per cent in the past five years.
- The output of the sector is expected to reach USD535bn by 2025-2026.
- The industry is expected to play a vital role in the overall growth of the country's economy.



MoU on investment cooperation in innovative healthcare projects

- The MoU lays special emphasis on precision health, i.e., personalised healthcare based on a person's unique genetic, genomic, or biological composition to help achieve well-being and optimal health.
- The development of a genomic centre of excellence is being

evaluated as one of the possible projects under the MoU.

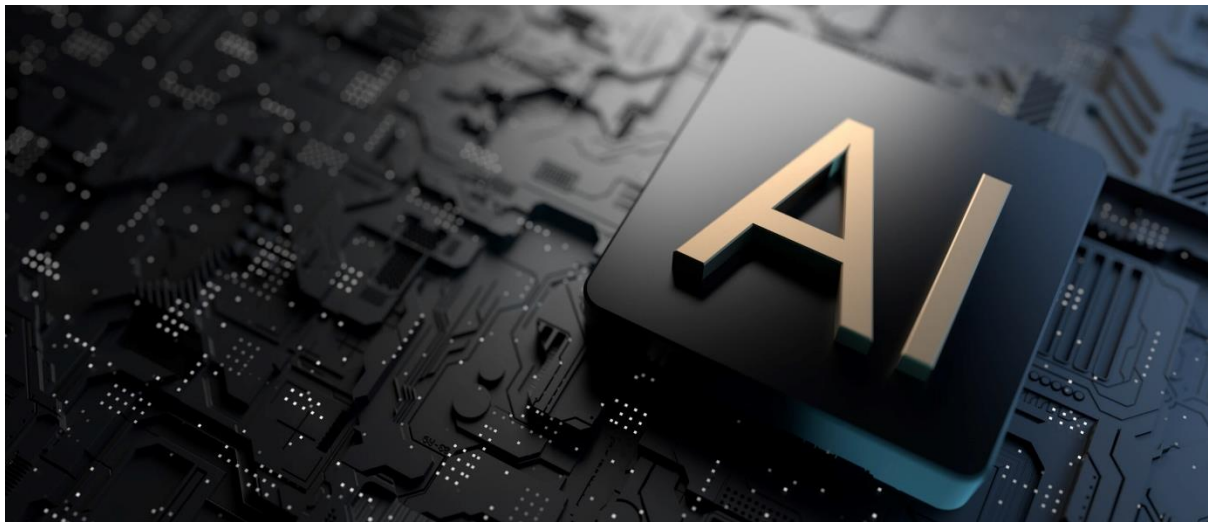
- The healthcare sector in India is estimated to be around USD372bn. Factors such as affordable treatment, advanced technology, a wide range of specialties as well as access to international markets have accelerated the growth of this industry.
- As the most populous country in the world, India has made affordable, accessible and increasingly innovative healthcare a priority, facilitated by increased public health expenditure year-on-year. [READ MORE](#)

DUBAI'S ECONOMY GREW WITH 3.3% GDP EXPANSION IN FIRST 9 MONTHS OF 2023



Dubai has registered a 3.3 per cent rise in the real gross domestic product (GDP) in the first nine months of 2023, further demonstrating its economic strength, resilience and robust growth potential. The achievement reflects the city's sustainable development strategies and its continued dynamism as a leading global economic powerhouse. From bustling tourism hubs to tech-powered communications networks. [READ MORE](#)

UAE: NEW COUNCIL TO DEVELOP AND IMPLEMENT AI POLICIES IN ABU DHABI



In his capacity as Ruler of Abu Dhabi, His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE, has issued a law establishing the Artificial Intelligence and Advanced Technology Council (AIATC). The council will be responsible for developing and implementing policies and strategies related to research, infrastructure and investments in artificial intelligence and advanced technology in Abu Dhabi. [READ MORE](#)

ADNOC BOOSTS DECARBONISATION BUDGET TO USD23bn, CREATES 6,500 JOBS FOR CITIZENS AND DRIVES UAE ECONOMY



ADNOC will increase decarbonisation spending to USD23bn as it looks to further global energy transition. UAE President H.H. Sheikh Mohamed bin Zayed Al Nahyan has presided over the annual meeting of the ADNOC Board of Directors in his capacity as its Chairman. During the meeting, which was held at ADNOC Headquarters, Sheikh Mohamed directed ADNOC to grow its diversified portfolio and provide secure, reliable and responsible energy to support the delivery of a just, orderly and

equitable global energy transition. As ADNOC continues to transform, decarbonise and future-proof its business, Sheikh Mohamed noted that the company is tripling its renewable energy capacity through its shareholding in Masdar while delivering tangible actions towards its interim targets of reducing its greenhouse gas intensity by 25 per cent and achieving near-zero methane emissions by 2030. [READ MORE](#)

ONGC GETS NOD FOR GREEN ENERGY SUBSIDIARY



The Petroleum and Natural Gas Ministry has approved the formation of a subsidiary company of Oil and Natural Gas Corporation Limited (ONGC) for green energy and gas business. The company will engage in businesses related to green hydrogen, hydrogen blending, renewable energy solar, wind and hybrid etc., biofuels, biogas business and LNG. As per the outcome of the board meeting, the proposed name of the company is “ONGC Green Limited” which is subject to the approval of the Ministry of Corporate Affairs, government of India. [READ MORE](#)

MHI INVITES GLOBAL TENDERS FOR GIGA-SCALE ADVANCED CHEMISTRY CELL MANUFACTURING FACILITIES



The Ministry of Heavy Industries (MHI) on 24th January 2024 announced the re-bidding of production linked incentives (PLI) for 10 GWh Advanced Chemistry Cell (ACC) manufacturing. With this bidding process, the prospective applicants can submit their bids to set up domestic manufacturing facility for ACC, which will help them qualify for incentives under PLI ACC scheme. [READ MORE](#)

UAE: NEW INSTANT PAYMENT PLATFORM LAUNCHED FOR DIGITAL TRANSACTIONS



Al Etihad Payments (AEP), a subsidiary of the Central Bank of the UAE (CBUAE), has announced the launch of **Aani**, an instant payment platform that aims to transform the landscape of digital payments in the UAE. Aani, a key initiative under the CBUAE's Financial Infrastructure Transformation (FIT) programme, signals a new era of seamless, secure, and instant digital payments. [READ MORE](#)

INDIA PLANS TO SET UP 'BHARAT PARK' IN UAE



India plans to set up 'Bharat Park' in UAE where Indian goods show room and warehouses will come up. This will be to facilitate other countries of the world to buy Indian goods from 'Bharat Park' as the payment system is secured in UAE, stated Union Minister of Textiles & Commerce, Shri Piyush Goyal.

Shri Piyush Goyal was speaking as Chief Guest during Export Awards function of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) on 4th January 2024 held at Mumbai. He announced that BIS will spend Rs. 40 crores to set up 21 testing laboratories at various places in India.

Mr Bhadresh Dodhia, Chairman – SRTEPC stated that man- made fibre textiles export in 2022-23 touched USD 5.8 Billion as against USD 6.8 Billion in 2021-22, registering a negative growth of (-) 15.3%. Export of technical textiles touched USD 2.5 Billion in 2022-23 as compared to USD 2.8 Billion 2021-22, registering a negative growth of (-) 11.9%.

Manmade fibre textiles sector is facing the problem of inverted duty structure under GST. There is 18% GST on fibres, 12% on yarns and 5% on fabrics. This is leading to accumulated input tax credits with the manufacturers, which is adding to their cost. SRTEPC requests to cover the entire value chain of MMF Textiles products under same rate of GST. [READ MORE](#)

OUR MEMBERS

EMPOWERING SUSTAINABILITY: A PROGRESSIVE ALLIANCE BETWEEN INDIA-UAE IN RENEWABLE ENERGY VENTURES



In the dynamic landscape of international relations, India and the United Arab Emirates (“UAE”) have forged a robust partnership, particularly in the realm of renewable energy and economic cooperation. This collaborative journey commenced in 2013 with the establishment of the India-UAE High Level Task Force on Investments (“HLTFI”), aimed at fostering trade, investments and strengthening economic ties between India-UAE. This has resulted in promising developments to encourage participation of the private sector to pursue investment opportunities in these growing markets. The recently concluded Vibrant Gujarat Global Summit 2024 focussed on areas of technology and innovation, sustainable manufacturing, green hydrogen, electric transportation, development of renewable energy projects and transition and wherein UAE and India have entered into MOU’s primarily focusing on investment in renewable energy, including green hydrogen, solar energy, grid connectivity, development of sustainable and clean energy ports and creation of a platform to trade green credits.

Over the years, this partnership has evolved, witnessing the formalization of bilateral agreements and the creation of strategic initiatives to propel investments in renewable energy projects. As the economic ties between the two nations deepened, notable entities such as the Abu Dhabi Investment Authority (“ADIA”) and the Abu Dhabi National Oil Company (“ADNOC”) played pivotal roles in channelling significant financial resources into India’s renewable sector. The culmination of these efforts materialized in ground-breaking collaborations, including the Comprehensive Economic Partnership Agreement (“CEPA”), resulting in a surge in investments in renewable energy startups along with access to market to the private sector and further developments under the One Sun, One World, One Grid, which showcase a shared commitment of UAE and India in diversifying energy sources, interconnection of grids and further adoption of sustainable energy practices.

In 2013, India and UAE collaboratively established HLTFI, the same was set up to bolster trade and investment between the countries. The 11th meeting of HLTFI witnessed India presenting investment opportunities to UAE, particularly in the renewable energy realm. India and UAE have formalized a bilateral agreement to encourage cooperation in relation to investments in renewable energy projects, urging UAE based companies to invest into India and vice versa.

With a focus on the developing investment opportunities in the renewable energy sector, India and UAE have established several Memorandums of Understanding (“MoUs”) and Agreements. Such initiatives are sought to add around 60 GW in the Indian renewable energy sector. An MoU signed to drive investment and collaboration in industry and advanced technologies, specifically aims to expedite the development of technologies facilitating industrial decarbonisation and advancement of renewable energy technologies. Additionally, the two countries have entered into the Renewable Electricity Grid Link Agreement which emphasises on efficient energy transmission, highlighting a commitment to enhance cooperation in the renewable energy sector.

The aforementioned MoU’s and agreements have facilitated seamless cross-border investments. These agreements and MoU’s have played a pivotal role in UAE’s ascent from the seventh largest investor in India to the fourth largest investor during the fiscal year 2022-23. Notably, UAE’s investment in India has increased three-fold compared to the preceding fiscal year, marking a substantial increase in investment. This growth underscores the effectiveness of established frameworks, highlighting the pragmatic impact of collaborating efforts in fostering substantial investment inflows between the two countries in the renewable energy sector.

ADIA, a sovereign wealth fund of UAE committed significant financial resources amounting to billions of dollars, to bolster the Indian renewable energy sector. This commitment primarily took place in the form of direct investment, with ADIA acquiring minority stakes in key renewable infrastructure companies such as Greenko Group and ReNew Power. In addition, ADNOC, a leading petroleum-based company in UAE has proposed to invest in the renewable sector of India thereby collaborating with Gas Authority of India Limited, it has signed a deal to explore various opportunities in renewable energy projects and decarbonisation efforts.

In the year 2023, bilateral collaboration between the two countries have reached new heights, which is evident by the unprecedented number of proposed deals and the considerable increase in private sector participation. Under Prime Minister Narendra Modi’s One Sun, One World, One Grid Initiative, UAE committed substantial investments to support India’s clean energy projects. This partnership extends to the two countries jointly manufacturing solar power equipment, reflecting a shared commitment to sustainable energy practices and establishing ground-breaking projects involving development of large scale solar, wind energy projects, exploring green hydrogen initiatives, installation of an under-sea cable connecting the countries and interconnection of grids.

Notably, India reciprocated UAE’s investments by investing into UAE’s renewable energy sector, providing expertise and financial support for the Mohammed bin Rashid Al Maktoum Solar Park in Dubai- one of the world’s largest solar power parks. Recently, UAE announced that it will be developing 6.6 Gigawatts of clean energy including construction of wind and solar power projects in India. The evolving collaboration between India and the UAE in the renewable energy sector represents a paradigm shift in international partnerships, emphasizing shared commitment and strategic alignment towards sustainable development.

From the establishment of the HLTFI to the CEPA and visionary initiatives like One Sun, One World, One Grid, the two nations have demonstrated a dynamic synergy. The surge in cross-border investments, exemplified by the UAE's ascent to the fourth largest investor in India, highlights the achievements of well-established frameworks and cooperative endeavours.

Noteworthy contributions from entities such as ADIA and ADNOC further solidify the commitment to advancing renewable energy solutions. The proposed deals in 2023, involving substantial investments in clean energy projects and collaborative manufacturing of solar power equipment, signify a forward-looking approach. The collaborative strides made by India and the UAE not only benefit both nations but also contribute significantly to the global imperative of reducing carbon footprints and advancing the cause of renewable energy on a broader scale. As both countries continue to navigate the evolving landscape of renewable energy, their joint endeavours stand as a beacon for international cooperation in addressing the pressing challenges of our times.

[This article is authored by Mr. Akshay A. Nair (Associate), Mr. Saransh Sharma (Associate) and Mr. Vidit Yadav (Trainee). They are part of the Energy, Infrastructure and M&A Team of Mr. Purusharth Singh (Partner) and Ms. Humera Niyazi (Partner), Kochhar & Co., New Delhi.]

About Kochhar & Co.

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Kochhar & Co. upholds its commitment to excellence in Energy and Infrastructure advisory with specialized cross-border teams in India and the UAE. We take pride in playing a crucial role in facilitating and contributing to key projects in the infrastructure and renewable energy sector.

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UIBC ACTIVITY

VISIT TO VIBRANT GUJARAT GLOBAL SUMMIT 2024



UIBC members and officials visited the Vibrant Gujarat Global Summit 2024 (10–12 January 2024) and the Vibrant Gujarat Global Trade Show (09–13 January 2024) held in Gandhinagar, Gujarat.

UIBC member companies such as DP World, Hind Terminals, TCIL, etc., showcased their products/services. As expected, the Summit and Trade Show attracted senior officials and executives from across India and overseas. The presence of a high-powered business delegation from the UAE proved to be an excellent platform for members and officials to network. Mukesh Kalra, Head of Business Development at the UAE-India Business Council (UIBC), held detailed discussions with Mr. Txomin Goitia, Director of International Relations at the Office of the Ruler of Ras Al Khaimah, on strategies to attract investments from India to Ras Al Khaimah.

Additionally, meetings took place with several officials from different state governments and with Shri Balvantsinh Rajput, Honourable Minister – Industries, Micro Small, and Medium Industries, Government of Gujarat, to further enhance trade with the UAE.



Members and officials expressed satisfaction at being part of Vibrant Gujarat and showed interest in participating in the next edition.

UPCOMING EVENTS



INDIA ENERGY
WEEK 2024

6-9 February 2024
Goa | India

06-09 Feb 2024

📍 **IPSHEM-ONGC Training
Institute
Goa
India**



15-16 Feb 2024

📍 **The Westin Mumbai
Powai Lake
India**



26-29 Feb 2024

📍 **Bharat Mandapam &
Yashobhoomi
New Delhi
India**



06 Mar 2024

📍 **Hyatt Regency
New Delhi
India**



UIBC

Abetting UAE-India Alliance

UAE-India Business Council (UIBC) is the only Official Joint Business Chamber set up by both the Governments for promoting economic synergy between the UAE and India. UIBC was formally launched by His Highness Sheikh Abdullah bin Zayed Al Nahyan, UAE Minister for Foreign Affairs and Late Smt. Sushma Swaraj, Hon'ble Minister of External Affairs of India during 11th Session of the India-UAE Joint Commission Meeting on 3rd September 2015 in New Delhi.

UIBC aims to create an inclusive bilateral trade environment between UAE and India by linking businesses from both the countries and supporting long term commercial partnerships for developing strategic relationships between businesses and government officials from both the countries.

UIBC acts towards promoting investment promotion and business collaborations / JVs between UAE and Indian businesses by organizing B2B networking meetings, policy forums and investment focused events, delegations, and other facilities required to succeed. It serves to provide a voice and visibility to the various stakeholders in UAE-India economic space and work towards promoting trade and investment, job creation, innovation, inclusion, and entrepreneurship between the UAE and India.

OUR MISSION

- ❖ To act as a catalyst engaged in exchange of ideas intended to promote the economic synergy between the UAE and India
- ❖ To serve as the direct link between business and government leaders of both the countries
- ❖ To work towards providing the critical first 'home-away-from-home' with a network of Government, Policy Makers, Business Leaders, and Industry contacts supported by highly skilled secretariat
- ❖ Providing a voice and visibility to the various stakeholders in UAE-India economic space
- ❖ To work towards promoting trade and investment, job creation, innovation, inclusion, and entrepreneurship between the UAE and India



UIBC

Abetting UAE-India Alliance

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