

# Territorial NEWSLETTER Middle East & West Asia (MEWA)

**EEPCINDIA**  
ENGINEERING THE FUTURE

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## Cover Story

*India and UAE trade relations are strengthening fast with the recent visit of His Highness Sheikh Mohammed Bin Zayed Al Nahyan, Crown Prince of Abu Dhabi as guest of Honor for Indian Republic Day.*

## What's in News

- *India business partnership summit in Bahrain.*
- *Dubai to promote trade with India.*
- *And more....*

## Tenders

*More latest News from Tenders*

## Upcoming Events

### Chairman's Pen



**T S Bhasin**

UAE is a major importer of Indian Engineering goods in the MEWA region. In the recent visit of the Crown Prince to India as Guest of honor for the Indian Republic Day, he expressed his desire to increase trade and economic relations with India. He recommended strengthening of bilateral relations by increasing the volume of joint investments and trade. His visit resulted in signing of 14 agreements. Apart from this, both sides signed a memorandum of understanding (MoU) on cooperation in the field of defense industry.

I hope, agreements signed between the two countries would help trade and investment to grow significantly in the coming periods.

### Message from Chairman, Committee on Trade with GCC countries

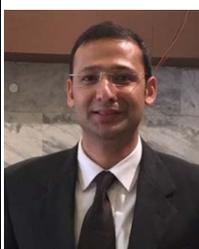


**Ravi Sehgal**

highlights outcomes from the recent visit of the Crown Prince to India as Guest of honor for the Indian Republic Day. Significant improvement in trade and investment relations between India and UAE is on the card. This has been reinforced by the recent signing of 14 agreements between the two countries. Indian side also expressed interest of Indian companies to be a partner in various exhibitions and events in UAE, like Dubai Expo.

Besides, the Newsletter contains trade analysis, and provides information on forthcoming event and tenders. I hope, this is useful for our member exporters and help them in taking informed business decision.

### Message from Chairman, Committee on Trade with West Asia other than GCC countries



**Mukul Khandelwal**

India's export of engineering products to the MEWA region was valued at over USD 502 million in January 2017. This is a decrease by USD 91 million compared to USD 593 million in December 2016. The fall in exports to the MEWA region is expected to reduce with the recent agreements/MoUs signed between India and UAE. Also with events like INDEE Iran earlier organized by EEPC Indian in February 2017 in Tehran, Iran, the trade relations between India and MEWA countries is expected to strengthen. We hope our members find this Newsletter useful and informative.



## Basic Facts: Middle East & West Asia (MEWA)

MEWA is a region covering a geographical area of 5.4 million square kilometer and has a GDP of over \$2.7 trillion. While Saudi Arabia is the largest country in the region in terms of geographical area and GDP, Iran has the largest population and has a share of 35% of total population of the region. Basic facts about the region are presented in Table 1.

**Table 1: MEWA Basic Facts**

Country	Area (KM <sup>2</sup> )	Population	GDP 2014 (USD billion)	Currency
<b>Bahrain</b>	665	1,234,596	33.9	Bahraini Dinar
<b>Jordan</b>	92,300	6,318,677	35.8	Jordanian Dinar
<b>Iran</b>	1,648,195	78,868,711	425.3	Iranian Riyal
<b>Iraq</b>	438,317	33,635,000	223.5	Iraqi Dinar
<b>Israel</b>	20,770	7,653,600	305.7	Israeli New Shekel
<b>Kuwait</b>	17,820	3,566,437	163.6	Kuwaiti Dinar
<b>Lebanon</b>	10,452	4,228,000	45.7	Lebanese Pound
<b>Oman</b>	212,460	2,694,094	81.8	Omani Riyal
<b>Qatar</b>	11,437	1,696,563	210.1	Qatari Riyal
<b>Saudi Arabia</b>	2,149,690	27,136,977	753.8	Saudi Riyal
<b>Syria</b>	185,180	23,695,000	n/a	Syrian Pound
<b>UAE</b>	82,880	8,264,070	399.5	UAE Dirham
<b>Yemen</b>	527,970	23,580,000	36.0	Yemeni Riyal
<b>Total (MEWA)</b>	<b>5,398,136</b>	<b>222,571,725</b>	<b>2714.7</b>	--

## Climate

The basic climate of the **Middle East** is hot and dry, although winters are mild with a little rain. To the north of the desert are the great steppes. This area has extremes of temperature and rain in winter and spring. Rest of the area has rainfall between March and November and sometimes floods from March to May. Summers are long and hot and winters mild and wet along the Mediterranean coast. The coastal areas are humid but have a steady breeze to compensate.

**Western Asia** is primarily arid and semi-arid, and can be subject to drought, but it also contains vast expanses of forest and fertile valleys. The region consists of grasslands, rangelands, deserts, and mountains. Water shortages are a problem in many parts of West Asia, with rapidly growing populations increasing demands for water, while salinization and pollution threaten water supplies. Major rivers, including the Tigris and Euphrates, provide sources for irrigation water to support agriculture.

## Natural resources

Most countries in the region are known for huge oil and gas reserves. Countries like Jordan have reserves of potash and phosphates, which is used in the production of fertilizer.

## MEWA region at a glance

**MEWA**, as a region, accounts for about 19% of total exports from India to the world. In case of engineering products, the share is approximately 15% of India's total engineering exports. The region has witnessed a growth of over 2% in engineering exports over the last three years (2012 to 2015). However, India's export growth across countries is not uniform. India's export has performed relatively better in some countries in the region. **Country-wise trend in exports for top five countries with export value of over \$500 million is briefly delineated below.**

**UAE:** UAE is India's largest export destination in engineering products in the MEWA region. Total export of engineering products from India to UAE was valued at over \$5.1 billion in 2015. Export has increased at the rate of 3% approx during the period 2012 to 2015. **Five major export items from India in 2015 include Aircrafts Spacecrafts & Parts; Ships Boats & Floating Structures; Articles of Iron & Steel; Electric & Electronic Equipments; and Machinery.**

**Saudi Arabia:** Saudi Arabia is India's second largest export destination in engineering products in the MEWA region. India exported engineering goods worth \$2 billion to Saudi Arabia in 2015. Exports of engineering products to Saudi Arabia decreased at the rate of 1% during the period 2012 to 2015. **Five major export items from India to Saudi Arabia in 2014 were Machinery; Articles of Iron & Steel; Electric & Electronic Equipments; Vehicles; and aircraft Spacecrafts & parts.**

**Islamic Republic of Iran:** Iran appears to be the best country for India in terms of rate of growth in exports of engineering products from India. Exports of engineering products to Iran increased at the rate of 26% during the period 2012 to 2015. **Some major export items from India to Iran include Iron & Steel; Machinery; Electric & Electronic Equipments; and Vehicles.**

**Oman:** Exports of engineering products to Oman increased at relatively lower pace compared to Iran and UAE. It was valued at \$524 million in 2015. However, it was better than several other countries in the region. The rate of growth in export of engineering products from India for the three year period 2012 to 2015 was negative, about -7.5%. **Some major export items from India to Oman include Ships Boats & Floating Structures; Machinery; Electric & Electronic Equipments; Articles of Iron & Steel; and Vehicles.**

**Qatar:** Export of engineering goods from India to Qatar touched almost \$431 million in 2015. During the three year period 2012 to 2015, engineering exports from India increased at the rate of nearly 13%. **Some major export items from India to Qatar include Ships Boats & Floating Structures; Machinery; Articles of Iron & Steel; Electric & Electronic Equipments; and Vehicles.**

**India-UAE trade relation in upswing: Excerpts from the press release of State visit of His Highness Sheikh Mohammed Bin Zayed Al Nahyan, Crown Prince of Abu Dhabi**



India and the UAE are linked by our common desire to build a resilient and modern strategic partnership. This desire has become manifested in the last two years. The State Visit of His Highness Sheikh Mohammed Bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces to India from 24-26 January 2017 as the honored Chief Guest at India's 68<sup>th</sup> Republic Day celebrations marked a momentous occasion in the warm and friendly relations between India and the UAE. This was the second successive State Visit by Crown Prince Sheikh Mohammed Bin Zayed to India since February 2016, clearly reflecting the warmth and goodwill he and the people of UAE have for India and its people. The strong bonds of time-tested friendship between India and UAE have found clear expression in the series of high-level bilateral visits between the two countries in the past two years. This visit afforded a timely opportunity to both Crown Prince Sheikh Mohammed Bin Zayed and Prime Minister Narendra Modi to further build upon their close and regular consultations.

The two sides described bilateral trade ties as an abiding link between the two countries. The two leaders lauded the current level of economic and trade engagement with both countries being among each other's largest trading partners. Over recent years, both countries, as economic hubs, have become increasingly interconnected and continue to develop a range of synergies in numerous fields. The leaders agreed that the UAE and India must continue to cooperate closely in order to expand mutual trade and economic opportunities, leveraging the strategic bonds that exist between the two countries. In order to develop a medium and long term strategy for increasing bilateral trade by 60 percent over the next five years, as agreed during Indian Prime Minister's visit to the UAE in August 2015, the two sides decided to conduct studies to

come up with action plans by June 2017. These would focus on identification of potential sectors and the impeding tariff and non-tariff barriers, exploring opportunities in services sector and formulating a sector-specific strategy to boost two way trade and investments. To accelerate trade, Indian and UAE side expressed satisfaction at the signing of an MoU between the Indian Ministry of Commerce and the UAE Ministry of Economy on trade remedial measures to promote cooperation in areas of anti-dumping during the visit.

The two leaders also underlined the importance of the MoU on Indian Rupee and UAE Dirham Bilateral Currency Swap Arrangement between Reserve Bank of India and Central Bank of the United Arab Emirates concluded during the Crown Prince's previous visit in February 2016, as a useful mechanism for trade promotion. It was also noted that the MOUs signed by the Confederation of Indian Industry with the Registration Authority of Abu Dhabi Global Market as also with Global Manufacturing & Industrialization Summit in November 2016 and another on Mutual Cooperation and Technical Assistance between SEBI and Abu Dhabi Global Market Financial Services Regulatory Authority would facilitate joint collaboration on initiatives and efforts to further encourage business developments.

The UAE and Indian governments lauded the work of the UAE-India High Level Task Force on Investments and reiterated the important role it plays in promoting economic and investments cooperation between the two countries. Crown Prince of UAE reaffirmed his strong confidence in India's vibrant economy and expressed appreciation for Indian Prime Minister's inspiring vision for the future of the country. Indian Prime Minister also apprised His Highness the Crown Prince of progress on a range of key initiatives, including "Start Up India", "Make in India", "Smart City", "Digital India" and "Clean India", highlighting their strong potential to provide Indian economy a positive thrust for a robust and sustained growth.

The UAE side reaffirmed its interest in investing in infrastructure development in India, especially in priority areas such as energy, power generation and transmission, defence production, industrial corridors and parks, railways, roads, ports, shipping and logistics. The two leaders welcomed the signing of MoUs on Cooperation in Maritime Transport, on Mutual Recognition of Certificates of Competency of the Seafarers and on Cooperation in the Road Transport and Highways Sector during the visit. The two leaders reviewed the progress in realizing the USD 75 billion target for UAE investments in India's plans for rapid expansion of next generation infrastructure development. Describing the existing Bilateral Investment Treaty of December 2013 a key framework for promotion of investments ties, the two leaders directed their respective Ministries to commence renegotiations on the revised treaty text for early finalization.

The two sides agreed to further strengthen their mechanisms for exchange of information in tax matters under the existing Double Taxation Avoidance Agreement. Crown Prince Sheikh Mohammed Bin Zayed

encouraged Indian participation and partnership in Dubai Expo 2020 and also presented to Prime Minister Modi an overview of the UAE's upcoming developmental priorities. The Indian side conveyed the interest of Indian companies to be a partner in the infrastructure projects being undertaken by the UAE in preparation for the Dubai Expo as well as in UAE's development plans.

### Trade trend analysis: MEWA region

India's total export to engineering products to the MEWA region was valued at over USD 502 million in January 2017. This is a decrease by USD 91 million compared to USD 593 million in December 2016. The decrease is probably because of global conditions, but the economic ties with MEWA countries are improving for engineering products.

Overall, the top 5 MEWA nations with the highest demand for Indian engineering products during January 2017 in value terms is shown in Table 2.

Table 2: Top five countries in MEWA region for Indian exports			
Country	Export in January 2016 (USD million)	Export in January 2017 (USD million)	Growth (%)
<b>UAE</b>	482.97	215.33	<b>-55.42</b>
<b>SAUDI ARAB</b>	105.85	74.91	<b>-29.23</b>
<b>KUWAIT</b>	37.91	51.49	<b>35.82</b>
<b>OMAN</b>	45.78	47.23	<b>3.17</b>
<b>IRAN</b>	40.56	39.98	<b>-1.43</b>

The analysis shows a decreased export situation when compared to year on year growth. Out of the top five countries, while two countries had realized a decline in import from India during December 2016, in January 2017, three countries experienced negative growth rate. These include UAE, Saudi Arab and Iran. This is in contrast to the previous month December 2016, when Iran experienced a positive growth rate of over 3%.

Analysis of top 15 engineering panels' exports as presented in Table 3 shows a good situation for India's engineering exports to MEWA countries. There are eight panels in which exports from India have increased during January 2017 compared to January 2016. When compared to the preceding month, December 2016, there is a decrease in exports considering there were 11 panels with positive growth in the month of December 2016.

**Table 3: Top 15 Engineering Panels exported from India to MEWA region**

Name of the Panel	India's Export in January 2016 (USD million)	India's Export in January 2017 (USD million)	Growth (%)
<b>Products of Iron &amp; Steel</b>	127.01	97.87	<b>-22.94</b>
<b>Iron and Steel</b>	31.76	77.18	<b>143.01</b>
<b>Copper and products</b>	43.89	44.29	<b>0.92</b>
<b>Industrial Machinery</b>	39.99	34.90	<b>-12.73</b>
<b>Electric Machinery</b>	36.07	29.32	<b>-18.71</b>
<b>Machinery for ATMs</b>	17.90	25.35	<b>41.59</b>
<b>Air condition and Refrigerators</b>	23.22	22.19	<b>-4.44</b>
<b>Motor Vehicle/cars</b>	98.83	18.98	<b>-80.80</b>
<b>Aircrafts Spacecrafts</b>	8.34	17.72	<b>112.62</b>
<b>Aluminum and products</b>	13.22	14.84	<b>12.27</b>
<b>Pumps of all types</b>	10.41	13.52	<b>29.83</b>
<b>Ships Boats and Floating structures</b>	226.71	12.56	<b>-94.46</b>
<b>Auto Components/Part</b>	19.06	11.89	<b>-37.61</b>
<b>Medical and Scientific Instruments</b>	8.79	9.69	<b>10.26</b>
<b>Nuclear Reactors</b>	8.31	9.42	<b>13.35</b>

Note: Panels marked in yellow realized positive growth during January 2017  
Source: DGCI&S, Government of India

## News in Focus

### India business partnership summit to take place in Bahrain

The first Indian Business Partnership Summit will be held in Bahrain next week to further cement bilateral trade and economic ties. The summit, organized by India's PHD Chamber of Commerce and Industry will in association with Hilal Conferences and Exhibitions (HCE), is scheduled to take place on February 7 on the sidelines of the Gulf Industry Fair at the Bahrain International Exhibition and Convention Centre.

**Link:** <http://economictimes.indiatimes.com/news/economy/foreign-trade/india-business-partnership-summit-to-take-place-in-bahrain/articleshow/56891904.cms>

### Dubai launches programme to promote trade with India

In a bid to promote bilateral trade relations with India, Dubai's Department of Economic Development has launched a programme that allows commercial disputes to be resolved quickly at minimal costs. Dubai Exports, the economic development department's promotion agency, launched the initiative 'Buyer Protection

Programme', designed by the Commercial Compliance and Consumer Protection (CCCP), as a pilot project through its Overseas Trade Office in India.

**Link:**<http://economictimes.indiatimes.com/news/economy/foreign-trade/dubai-launches-programme-to-promote-trade-with-india/articleshow/56890522.cms>

### **India-UAE to further intensify ties; to increase trade by 60 per cent**

Terming their ties as "time- tested", India and the UAE resolved to further intensify wide- ranging bilateral engagements including in strategic areas of security, defence, energy and decided to come up with an action plan by June to increase bilateral trade by 60 per cent over the next five years.

**Link:** <http://economictimes.indiatimes.com/news/economy/foreign-trade/india-uae-to-further-intensify-ties-to-increase-trade-by-60-per-cent/articleshow/56798811.cms>

### **Non-oil business activity climbs to 17-month high in Saudi Arabia**

January's improvement reflected a robust expansion in output and new orders. Business sentiment benefited from better economic conditions and rising foreign demand. Despite the overall improvement, staffing levels grew only slightly. On the price front, higher input prices led to an increase in charges for the third month in a row.

**Link:**<http://www.focus-economics.com/countries/saudi-arabia/news/pmi/non-oil-business-activity-climbs-to-17-month-high-in-january>

## Some upcoming Exhibitions in MEWA

Events	Date	Venue	Link
<b><u>ERBIL AUTOSHOW</u></b> International Automobile, Automotive, Commercial Vehicles and Spare Parts Exhibition	08th - 11th March 2017	<u>Erbil International Fairground</u> , Erbil , Iraq	<a href="http://www.eventseye.com/fairs/f-erbil-autoshow-16196-1.html/">http://www.eventseye.com/fairs/f-erbil-autoshow-16196-1.html/</a>
<b><u>ANALIZA</u></b> International Laboratory Equipment & Biotechnology Exhibition and Trade Fair in Israel	07th- 08th March 2017	<u>TLV Convention Center - Tel Aviv Fairgrounds</u> , Tel Aviv, Israel	<a href="http://www.stier.co.il/ANALIZA/index_en.asp">http://www.stier.co.il/ANALIZA/index_en.asp</a>
<b><u>THE BIG SHOW OMAN</u></b> International Exhibition of Building Materials, Construction Equipment and Interior Furnishings	13th - 16th March 2017	<u>Oman International Exhibition Centre</u> , Muscat , Oman	<a href="http://thebigshow-oman.com/">http://thebigshow-oman.com/</a>
<b><u>THE BIG 5 SAUDI</u></b> International Exhibition for Building, Water Technology & Environment, Air Conditioning & Refrigeration, Cleaning & Maintenance, Glass & Metal in Jeddah. THE BIG 5 SAUDI also offers free seminars sessions	27th - 30th March 2017	<u>Jeddah Centre for Forums &amp; Events</u> , Jeddah, Saudi Arabia	<a href="https://www.thebig5saudi.com/">https://www.thebig5saudi.com/</a>
<b><u>MEMTS</u></b> The Middle East's premier exhibition showcasing the latest design and trends in car customization. The latest models of luxury and sport cars	30th March - 01st April 2017	<u>Abu-Dhabi National Exhibition Center - Adnec</u> , Abu Dhabi, UAE	<a href="http://www.eventseye.com/fairs/f-memts-15887-1.html">http://www.eventseye.com/fairs/f-memts-15887-1.html</a>

## Tender Information in MEWA

Title	Country	Deadline
<u>Rehabilitation And Updating Of Electrical Systems In King Faisal Air Base At Northern Base</u>	Saudi Arabia	28th March 2017
<u>Supply Of Electrical Equipment</u>	Saudi Arabia	14th March 2017
<u>Purchase Of Equipment And Measuring Instruments For Electrical.</u>	Iran	5th March 2017
<u>Supply, Installation And Maintenance Of Railings And Fences, Poles And Lattices Etc.</u>	Israel	13th March 2017
<u>Providing Leasing Of Machinery And Equipments To Work In Wafra Farms Area</u>	Kuwait	5th March 2017

For more contract notices, please register with Tender Info following the link:

<http://www.tendersinfo.com/searchresult#>

### EEPC India

Middle East & West Asia (MEWA) Territorial Newsletter

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