

# Territorial NEWSLETTER Middle East & West Asia (MEWA)

**EEPCINDIA**  
ENGINEERING THE FUTURE

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## Cover Story

*India and Bahrain trade relations are strengthening with the recent India- Bahrain business summit held in Bahrain in February 2017.*

## What's in News

- *Global auto aftermarket players to join Automechanika Dubai*
- *Dubai to promote trade with India.*
- *And more....*

## Tenders

*More latest News from Tenders*

## Upcoming Events

## Chairman's Pen



**T S Bhasin**

Countries in Middle East and West Asia (MEWA) region have emerged strategic for India. India's sustained growth in engineering products will critically depend on cooperation between India and MEWA countries. Within the region, Bahrain is one of the major importers of Indian Engineering goods. Cooperation between the two countries got a boost through the recently held India-Bahrain first business summit. During the Summit, the Minister of Industry, Commerce and Tourism of Bahrain emphasised on building India and Bahrain business relations. Bahrain's import of engineering goods from India has increased by over 120% from 2014 to 2015. I hope this upward trend to continue in the time to come.

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

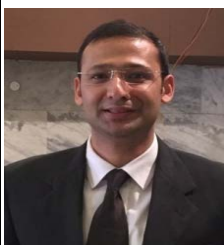


**Ravi Sehgal**

highlights the first India and Bahrain Business Summit recently held in Bahrain. The summit was attended by the Minister of Industry, Commerce & Tourism of Bahrain and Indian Ambassador to the Kingdom of Bahrain. The summit brought together the business community of both the countries on a single platform. The Bahrain side expressed interest to work with Indian companies and be a partner in various ventures.

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**

engineering products to the MEWA region is valued at over USD 800 million in February 2017. This is a huge increase of USD 366 million compared previous month January 2017 when it was valued at USD 502 million. One of the reasons for this huge increase is the recent events like INDEE Iran organized by EEPC India in the first week of February 2017 in Tehran, Iran. INDEE Iran was attended by a large number of Indian and Iranian companies and Business community

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.**

## **Bahrain geographically heart of the Arabian Gulf: India business partnership summit 2017**

The Minister of Industry, Commerce and Tourism of Bahrain Mr. Zayed R. Alzayani opened “Indian Business Partnership Summit” in the presence of Indian Ambassador to the Kingdom of Bahrain Mr. Alok Kumar Sinha. The Summit was a platform for dialogue and engagement among top leaders from India and GCC Countries, towards a better and effective understanding.

The Minister of Bahrain stated that “the Kingdom of Bahrain enjoys a geographic location in the heart of the Arabian Gulf and puts most GCC capitals within an hour's flight and road access to the largest market in the GCC, the Kingdom of Saudi Arabia, is less than an hour's drive away.”

“Another advantages is that of costs to operate in Bahrain is lower by 34% when compared to Doha and Dubai. Bahrain over the centuries has always been an oasis of peace and has welcomed visitors from all over the world creating a cosmopolitan society that has earned Bahrain first rank overall in GCC quality of life as per HSBC explorer survey for 2015.”

India and Bahrain enjoy good bilateral relations characterized by cordial political, economic and cultural contacts. A healthy economic and trade relationship between the two countries has prompted a lot of Indians to move to the country to set up their businesses, Indians have carved a niche for themselves in Bahrain. A host of Bilateral Agreements and Memorandums of Understanding have also been signed between India and Bahrain.

The minister also noted that “the volume of non-oil Trade between our two countries for 2016 was \$648 million, where Bahrain imported \$499 million from India, and exported \$148 million to India. One should also not ignore Indian companies who have chosen to set up manufacturing or trading operations in Bahrain.” He added that “Government of Bahrain have been working diligently with Bahrain Economic Board and Bahrain Chamber of Commerce and Industry to overhaul investment landscape.”

He further added “We started by analyzing procedures and policies and reengineered them in hope to streamline business setup in Bahrain. We automated our company registration process, and celebrated that success milestone when we achieved a record of producing a company registration in 93 seconds. We went through a laborious legal review whereby the result was redrafting and approving four laws with a direct economic impact. Finally, we moved to liberalize 97% of our sectors to allow foreign ownership including almost 60% of them allowed as 100% foreign ownership.”

The minister added “Bahrain government role would shift from being the major contributor in the GDP to that of an enabler, regulator, facilitator and partner for the private sector. Originally launched in 2008, economic vision 2030 was reinforced with further focus being directed to new sectors such as Financial Service, ICT, Tourism, Logistics and Manufacturing, in a clear attempt to further diversify from an oil and gas based economy.”

The emphasis is on moving from a typical buyer seller relation to partners in progress. A growing India today offers opportunity across sectors – notably infrastructure, digital infrastructure, renewable energy, inland waterways, smart cities, housing, pharma, automobiles, education, health care, medical tourism and many more in an investor friendly environment. The summit aimed to promote bilateral trade between India and Bahrain and looks forward to Bahrain companies playing bigger role in India's next phase of growth to further build partnerships for mutual business cooperation.

A large number of delegates attended from energy sector, Solar, oil and gas, real estate, industrial safety and security, financial services, venture capital funds, logistics, ports and maritime, startups, aluminum, manufacturing, industrial metals and academic and research.

<b>India-Bahrain Engineering trade</b>			
	<b>2014 (USD MN)</b>	<b>2015 (USD MN)</b>	<b>Growth (%)</b>
Export to Bahrain	120.97	276.09	<b>128.23</b>
Import from Bahrain	187.37	189.43	<b>1.10</b>
Total Trade with Bahrain	308.34	465.52	<b>50.98</b>

*Source: Trademap*

<b>Major engineering products exported by Indian to Bahrain</b>	
<b>HS Code</b>	<b>Product Description</b>
89	Ships, boats and floating structures
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof
73	Articles of iron or steel
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof

Source: Trademap



## **India-Israel Diplomatic Relations- Celebrating 25 years of cooperation**

India-Israel celebrated 25 years of establishment of their diplomatic relations in both the countries on 27th February 2017. A launching ceremony was held on 28th February, 2017 at where a 'Logo' was unveiled to mark the occasion, jointly by Shri Amar Sinha, Secretary, Government of India and Israeli Ambassador to India, Mr. Daniel Carmon.

India and Israel have been cooperating with each other on many fronts including cooperation in Defense and Agriculture and achieved milestones in fostering bilateral relationship. Through agricultural technology of Israel, India has set up 25 Centre of Excellences (CoEs) spread over nine Indian States for the benefits of Indian farmers. Both the countries are committed to further deepening and diversifying the relation in many areas including space, S&T, R&D, education, dairy, innovation etc.

### **Trade trend analysis: MEWA region**

India's total export to engineering products to the MEWA region was valued at over USD 868 million in February 2017. This is a huge increase of USD 366 million compared to USD 502 million in January 2017. The increase is probably because of growing trade interest of Indian business towards the countries of the MEWA region, also the government is keen on further strengthening of ties with the region.

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

**Table 2: Top five countries in MEWA region for Indian exports**

<b>Country</b>	<b>Export in February 2016 (USD million)</b>	<b>Export in February 2017 (USD million)</b>	<b>Growth (%)</b>
<b>UAE</b>	246.56	542.51	<b>120.03</b>
<b>SAUDI ARAB</b>	114.81	116.37	<b>1.35</b>
<b>KUWAIT</b>	31.64	50.37	<b>59.20</b>
<b>OMAN</b>	50.50	42.10	<b>-16.64</b>
<b>IRAN</b>	39.36	37.63	<b>-4.38</b>

The analysis shows a increased export situation when compared to year on year growth. Out of the top five countries, while three countries had realized a decline in import from India during January 2017, in February

2017, two countries experienced negative growth. These include Oman and Iran. This is in contrast to the previous month December 2016, when Oman 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 nine panels in which exports from India have increased during February 2017 compared to February 2016. When compared to the preceding month, January 2017, there is a increase in exports considering there were eight panels with positive growth in the month of January 2017.

Name of the Panel	India's Export in February 2016 (USD million)	India's Export in February 2017 (USD million)	Growth (%)
<b>Ships Boats and Floating structures</b>	34.56	309.22	<b>794.76</b>
<b>Products of Iron &amp; Steel</b>	111.85	115.31	<b>3.10</b>
<b>Iron and Steel</b>	33.77	108.07	<b>220.03</b>
Motor Vehicle/cars	73.87	71.40	-3.35
Electric Machinery	34.27	32.72	-4.51
Copper and products	45.30	31.05	-31.44
Industrial Machinery	39.99	25.88	-35.29
Air condition and Refrigerator	28.35	25.07	-11.55
<b>Machinery for ATMs</b>	14.84	21.53	<b>45.06</b>
<b>Construction Machinery</b>	13.07	14.23	<b>8.81</b>
<b>Aircrafts Spacecrafts &amp; parts</b>	4.47	12.97	<b>190.23</b>
<b>Aluminum and products</b>	11.10	11.84	<b>6.71</b>
Auto Components/Part	19.77	11.69	-40.87
<b>Medical and Scientific Instruments</b>	7.73	9.09	<b>17.61</b>
<b>Nuclear Reactors</b>	5.26	7.00	<b>32.98</b>

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

## News in Focus

### Global auto aftermarket players to join Automechanika Dubai

An upward trend of both vehicle sales and spare parts demand across the Middle East has been welcomed by global automotive aftermarket players, as they ready themselves for the return of the region's largest automotive service industry trade fair in Dubai.

**Link:** [http://www.tradearabia.com/news/IND\\_321771.html](http://www.tradearabia.com/news/IND_321771.html)

## **Dubai's private sector growth on track for strong first quarter**

The Emirates NBD Dubai Economy Tracker Index (DET) February data signalled a further improvement in overall business conditions across Dubai's private sector economy, supported by sharp rises in output and incoming new work. The latest index reading at 56.2 was slightly down from January's 23-month high of 57.1, but was above the series average of 55.1, signaling an acceleration in economic growth at the start of this year.

**Link:** <http://gulfnews.com/business/economy/dubai-s-private-sector-growth-on-track-for-strong-first-quarter-1.1991232>

## **UAE, Saudi Arabia discuss selective tax, trade**

The UAE and Saudi Arabia joint-meeting on customs concluded its activities on Thursday. The meeting, held as an outcome of the recent high profile UAE-Saudi Arabia joint retreat, discussed a myriad of topics related to selective tax, facilitating movement between the two countries' entry and exit points, boosting trade, combating smuggling and developing customs systems.

**Link:** <http://gulfnews.com/business/economy/uae-saudi-arabia-discuss-selective-tax-trade-1.1991321>

## **Qatar logistics hub to attract \$8bn investment**

Development schemes in Qatar's ambitious Logistics Areas project in the southern region are expected to attract QR30 billion (\$8.24 billion) in direct investments, a report said. The area will become a regional hub for investments and logistics services, increasing the competitiveness in the trade sector.

**Link:** [http://www.tradearabia.com/news/IND\\_321640.html](http://www.tradearabia.com/news/IND_321640.html)

## **\$3bn Kuwait causeway on track for 2018 opening**

Kuwait said about 73 per cent of the work on its ambitious \$3-billion Sheikh Jaber Al Ahmad Al Sabah Causeway project (also known as The Subiya bridge) has been completed and the 36-km-long engineering marvel is on track for launch in 2018.

**Link:** [http://www.tradearabia.com/news/CONS\\_321732.html](http://www.tradearabia.com/news/CONS_321732.html)



## Some upcoming Exhibitions in MEWA

Events	Date	Venue	Link
<p><b><u><a href="#">QATAR MOTOR SHOW</a></u></b>  <b>Middle East Motor Show.</b>                      Qatar Motor Show brings together some of the most notable international carmakers showcasing their latest models. Exhibitors include many sports, luxury and mid-range car dealers as well as car accessory companies</p>	18th - 22nd April 2017	<p><u><a href="#">Doha Exhibition &amp; Convention Center</a></u>, Doha, Qatar</p>	<a href="http://qatarmotorshow.gov.qa/">http://qatarmotorshow.gov.qa/</a>
<p><b><u><a href="#">HEAVY MAX</a></u></b>  <b>International Exhibition for Heavy Machinery.</b>                      Heavy Max showcases the latest cutting-edge construction machinery, equipment and systems and is an ideal platform to meet the demands of a billion-dollar-value construction market</p>	08th- 11th May 2017	<p><u><a href="#">Doha Exhibition &amp; Convention Center</a></u>, Doha, Qatar</p>	<a href="http://www.heavymaxqatar.com/">http://www.heavymaxqatar.com/</a>
<p><b><u><a href="#">FABEX SAUDI ARABIA</a></u></b>  <b>International exhibition for steel structures, tube and pipe, sheet metal, metal forming and steel fabrication</b></p>	30th April - 03rd May 2017	<p><u><a href="#">Riyadh International Exhibition Centre</a></u>, Riyadh , Saudi Arabia</p>	<a href="http://www.fabxsaudi.com/">http://www.fabxsaudi.com/</a>
<p><b><u><a href="#">MIDDLE EAST SMART LIGHTING &amp; ENERGY SUMMIT</a></u></b>  <b>Energy Efficient Lighting Forum focusing on Street, Outdoor, Urban &amp; Public Lighting in UAE. MIDDLE EAST SMART LIGHTING &amp; ENERGY SUMMIT covers topics around smart technology, lighting design &amp; upcoming lighting projects</b></p>	26th - 27th April 2017	<p><u><a href="#">Crown Plaza Dubai - Deira</a></u>, Abu Dhabi, UAE</p>	<a href="http://www.lightingsummit.com/">http://www.lightingsummit.com/</a>

## Tender Information in MEWA

Title	Country	Deadline
<a href="#"><u>Providing Marine Engines With Full Accessories.</u></a>	UAE	17th April 2017
<a href="#"><u>Purchase Of Stainless Steel Bench With Sink With Water Supply, Electric Outlet &amp; Overhead Ca</u></a>	Saudi Arabia	29th April 2017
<a href="#"><u>Supply And Isntallation Of Water Pumps For Fursan Division In Khashm Al Aan And National Guard Camps In Najran And Rafhaa.</u></a>	Saudi Arabia	23rd April 2017
<a href="#"><u>Rehabilitation Of Air Conditioning System In Sitra</u></a>	Bahrain	12th April 2017
<a href="#"><u>Implementation Of Supply Electronic Power Project</u></a>	Iran	4th April 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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