

**Remarks by Ambassador Pavan Kapoor
at ICAI 2021 Annual International Conference
Saturday, 26 June 2021
Venue: Coca Cola Arena, Dubai**

Era of return to new normal: Re-skill & Thrive

Your Excellency Dr. Thani Al Zeyoudi, Minister of State for Foreign Trade,

Mr. Vasu Shroff,

Mr. Sunder Nurani, Chairman, ICAI Dubai,

All Members of ICAI,

and dear friends,

Namaste, Salaam Alaaeikum!

It is a great pleasure for me to join you all at this ICAI Annual International Conference 2021. After what has been a catastrophic year around the globe, we find ourselves on the road to recovery. I am very pleased that the theme of your Conference this year shares this optimism and urges us to resume our work together and improve our skills, amidst the challenges that await us in the wake of the COVID-19 pandemic.

Working together is in fact what distinguishes the India-UAE Comprehensive Strategic Partnership, which has emerged even stronger since the start of the COVID pandemic. Constant high-level exchanges between our leadership even during the pandemic have ensured that we kept moving forward despite the challenges. Apart from telephonic exchanges between Prime Minister Shri Narendra Modi and HH Sheikh Mohamed Bin Zayed Al Nahyan, our External Affairs Minister, Dr. S. Jaishankar, visited UAE in late November 2020 on his first bilateral visit since the start of pandemic. During that visit he called on HH Sheikh Mohammed bin Zayed Al Nahyan as well as HH Sheikh Mohammed bin Rashid Al Maktoum and also had detailed meetings with Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan. Later, in January 2021, our Minister of State for External Affairs, Shri V. Muraleedharan visited Abu Dhabi, Dubai and Ajman with a focus on the welfare of the Indian community. Foreign Minister Sheikh Abdullah also visited New Delhi in February this year, and just two months ago, in April 2021, Dr. Jaishankar visited Abu

Dhabi again for a day for meetings with HH Sheikh Abdullah. The common thread in all these exchanges has been joint efforts to bring normalcy in a post-pandemic world, and to give an impetus to our bilateral relations.

Even before the physical meetings, the dialogue continued through virtual interactions given the strong interest on both sides. Last August, EAM Dr. Jaishankar and HH Sheikh Abdullah had met virtually to chair the 13th India-UAE Joint Commission, just referred to by Dr. Thani, that took stock of all aspects of our relations. In early November 2020, the 8th Meeting of India-UAE 'High Level Task Force on Investments (HLTFI) was co-chaired by Shri Piyush Goyal, Minister of Railways and Commerce and Industry on our side, and HH Sheikh Hamed bin Zayed Al Nahyan, Member of the Executive Council of Abu Dhabi, on the UAE side. Throughout the year, respective Ministers and officials from both sides continued to have exchanges, especially in the areas of Health, Renewable Energy, Oil & Gas, Education and Culture.

There is a clear commitment among the leadership of India and the UAE to enhance bilateral ties. Food security and healthcare have in fact emerged as important sectors of growth during the pandemic, showing how our strategic ties can adapt to the changing requirements. Since the outbreak of the pandemic, India had ensured uninterrupted cargo flights carrying food supplies to the UAE even during the lockdown in India. We are keen to follow this up with the establishment of food corridors and there is a huge potential for investments from the UAE in this area. In terms of healthcare, we had sent essential medicines to the UAE and augmented their health system with more than 400 health care professionals last year at a crucial time. India also cleared the dispatch of 200,000 doses of the Astra Zeneca vaccine to the Dubai Health Authority in February 2021. On its part, the UAE provided us with medical supplies last year, and with much needed Ventilators and Bipap machines, at the end of April this year, when the second wave hit India. Just last month, UAE also gifted us 1 million tablets of *favipiravir*, and DP World and ADNOC provided us with Cryogenic tankers to transport Liquid Medical Oxygen (LMO). Even Emirates airlines agreed to fly COVID relief supplies from Dubai to several cities across India, free of charge.

All these actions speak of an enduring and strategic partnership, what you call friends really in times of need; reaching out to each other; looking out for each other.

With respect to the critical energy sector, we are working together towards a more inclusive and sustainable future. Our two countries are actively cooperating to adapt to and embrace renewable energy, particularly solar

energy, including through the International Solar Alliance. We are committed to working closely at IRENA and are exploring newer areas like the 'Hydrogen economy'. These are areas which Dr. Thani is familiar with, having dealt with them in his previous role.

The Covid-19 pandemic has impacted the economic growth of countries across the globe, and India is no exception. While, the recent second wave hit us very hard at a human level, its economic impact was more limited. The Indian economy is therefore expected to rebound stronger, with the potential for rebuilding on a scale not seen for a long time. Most rating agencies like Goldman Sachs, Barclays and Moody's continue to predict a double-digit growth for India for the current financial year, 2021-22. The Reserve Bank of India (RBI) is also sticking to its earlier estimate of 10.5 per cent growth for the Indian economy.

The trends in inflows of Foreign Direct Investment into India are also an indicator of its status as a preferred investment destination amongst global investors. You may be surprised to learn that India attracted its highest ever annual FDI inflow of US \$ 81.72 billion during the financial year 2020-21, an increase of 10% over the previous financial year. From the UAE also, we were pleased that Abu Dhabi based Sovereign Wealth Funds (SWFs), Mubadala and Abu Dhabi Investment Authority (ADIA) together invested USD 4.12 billion into India last year! So, although Dr. Thani is right in saying that UAE is the 11th largest investor in India, if you look at the total FDI alone, from UAE to India it is now over USD 11 billion, making UAE the 8th largest investor, in terms of FDI.

Some of this increased inflow is a direct result of measures taken by the Government of India to facilitate investments from UAE. You may be aware that our Government granted special eligibility under the 2019 SEBI (FPI) guidelines for portfolio investors based in international financial centres in the UAE, including Abu Dhabi Global Markets. We also extended 100% tax exemption under the 1961 Income-Tax Act for SWFs and pension funds for investment in infrastructure till 2024.

We will continue to facilitate the path for investments from UAE into India, and to make Doing Business in India even easier.

India-UAE economic and commercial relations contribute to the stability and strength of a rapidly diversifying and deepening bilateral relationship. Even though our trade figures last year would have come down somewhat given the curbs and lockdowns, both countries are constantly working on new ideas to further expand our bilateral trade. In the presence of His

Excellency Dr. Thani, I can say with confidence that we are determined to unlock the greater potential of our trade through removal of further barriers.

As you can see, the pandemic has not been a barrier to our cooperation. On the contrary, it has strengthened our resolve to work even more closely. There is a strong will to adapt to the new normal. We are also eagerly looking forward to participating in a big way in EXPO 2020 in just over 3 months.

One of the most visible manifestations of the impact of the pandemic has been the disruption of livelihoods and loss of jobs of Indian workers in the region, including the UAE. The signs of recovery and hopefully a gradual easing of restrictions on international travel, would indicate an opportunity for the Indian workforce to return. India and UAE have an understanding on working together, to find ways and means to enable Indian workers and professionals to find employment opportunities in the UAE in the post-COVID scenario. In this context, during the visit of our Minister of State, Shri V Muraleedharan in January 2021, our Consulate in Dubai undertook an initiative to launch an 'Upskilling and Training Centre' for Indian workers in UAE at the Delhi Public School, Jebel Ali. In addition, our Consulate is also working with some State Governments in India and local partners in the UAE to develop a model for imparting certain skill sets to Indian nationals that would enable them to find appropriate jobs here as the economy adapts to the technological and other changes.

This is but one example of how India and UAE are committed, more than ever, to find opportunities focused on the welfare of our people. Our close cooperation in handling the situations caused by the pandemic and frequent engagements during this time, are an example of how the two countries adapted to the challenge. I am confident that our special partnership shall emerge even stronger and more well prepared for a post-Covid world, starting with the 'Year of the 50th' for the UAE, and moving into India@75 in 2022.

Thank you very much!