

11th Meeting of the India-UAE High Level Joint Task Force on Investments

PRESS RELEASE

Abu Dhabi, UAE – 5 October 2023: The Eleventh meeting of the UAE-India High Level Joint Task Force on Investments ('the Joint Task Force') was held today in Abu Dhabi, co-chaired by His Highness Sheikh Hamed bin Zayed Al Nahyan, the Managing Director of Abu Dhabi Investment Authority (ADIA), and Shri Piyush Goyal, Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution, and Textiles, Government of India.

The Joint Task Force was established in 2013 to promote trade, investment and economic ties between India and the UAE. The Joint Task Force has provided an effective mechanism for discussion on opportunities & prospects for investments in both countries as well as resolution of issues faced by investors of the two countries.

During the meeting, the co-Chairs reviewed the progress made on the implementation of the Comprehensive Economic Partnership Agreement (CEPA) between the UAE and India, which came into force in May 2022. The CEPA was a landmark agreement designed to spark a new era of cooperation between two nations, strengthening the long-standing cultural, political and economic ties. It has helped reduce tariffs on more than 80 percent of product lines. Eliminate barriers to trade and create new pathways for investment and joint ventures. In the first 12 months of the CEPA, bilateral non-oil trade reached US\$50.5 billion, representing a growth of 5.8% compared to the corresponding period a year earlier. The two countries are fast moving towards the target of US\$100 billion non-oil trade by 2030.

The Joint Task Force delegations discussed the status of negotiations for the India-UAE Bilateral Investment Treaty, underscoring the need to accelerate the bilateral discussions for an early conclusion of a balanced agreement that benefits both countries and their investors.

The two sides also discussed ways and incentives for encouraging further growth in investment flows from UAE sovereign investment entities into India.

In this context, the Indian side shared opportunities for investments in priority sectors like renewable energy, health, semi-conductors and asset monetization sectors in India.

In this regard, progress on the creation of the Fast Track Mechanism to facilitate Indian investment into the UAE was also discussed. The Indian side requested for strengthening the mechanism especially for facilitation of investments in priority sectors like renewable energy and energy transition. Both sides agreed to use this channel as a means of developing more competitive and accommodating ecosystems that can enable the private sector to fully pursue expansion opportunities in each other's markets.

Talks also covered the India-UAE Start-Up Bridge, a joint initiative between the UAE Ministry of Economy and India's Ministry of Commerce and Industry. The bridge is expected to act as a one-stop platform that offers training sessions and knowledge-sharing on important topics such as market access, investment funds, venture capital, incubators and the respective business landscape in each country.

Another important agenda topic was the establishment of Abu Dhabi – India Virtual Trade Corridor, which aims to increase overall trade volumes by developing data exchange systems to facilitate paperless trade between the two countries, improving efficiencies and security. Both sides agreed to continue coordination and cooperation between the respective counterparties of both countries for the early implementation of this milestone.

The co-chairs also reviewed the progress on key projects including the food security corridor related investment under I2U2 Framework into India. The project will be instrumental in addressing food security challenges, with the aim of bolstering the supply of essential food items and establishing a resilient value chain between the two nations.

The Joint Task Force noted the progress of plans for the Abu Dhabi Investment Authority (ADIA) to establish a presence in Gujarat International Finance Tec-City (GIFT City), a financial free zone in Gujarat, with the aim of facilitating future investments into India. Indian side invited other Sovereign Wealth Funds in the UAE to establish similar presence in India.

The Joint Task Force witnessed the signing of an MOU between the UAE Ministry of Industry & Advanced Technology and the Ministry of Commerce & Industry of the Republic of India, related to cooperation in the fields of Industry and Advanced Technology. The MOU will promote cooperation in sectors such space, healthcare, renewable energy, artificial intelligence, among others. The two sides aim to develop cooperation efforts and build an institutional framework to promote and develop bilateral cooperation, bearing in mind the important role of industries and advanced technologies play in the diversification and growth of economies.

Another agreement was also signed between Al Etihad Payments, a subsidiary of the Central Bank of the UAE, and the National Payments Corporation of India. The agreement creates a strategic partnership to develop the UAE's Domestic Card Scheme (DCS). The UAE DCS is a key element of the Central Bank of the UAE's Financial Infrastructure Transformation programme which aims to position the UAE as a global leader in digital financial infrastructure. The DCS will be the nation's first unified, secure, and efficient card payment platform, accelerating the UAE's transition to a digital economy by facilitating the growth of e-commerce, providing consumers with a customised offering, enhancing financial inclusion, and reducing the cost of payments.

Since its creation, the Joint Task Force has been used as a valuable forum for highlighting and resolving specific issues faced by companies from both countries when investing into the UAE and India. Both sides discussed pending issues related to investments and agreed on the need for timely resolution of issues and difficulties experienced by the investors. The co-chairs directed both teams to work together and with the relevant government entities to address these issues in a timely and mutually acceptable manner.

The meeting was attended by H.E Mohamed Hassan Alsuwaidi, UAE Minister of Investment, MD & CEO of ADQ, H.E Dr. Thani bin Ahmed Al Zeyoudi, UAE Minister of State for Foreign Trade and H.E Khaled Mohamed Balama, Governor of the Central Bank of the UAE, and a number of senior officials from government authorities and investment entities from both countries.

Commenting at the meeting, His Highness Sheikh Hamed bin Zayed Al Nahyan, the Managing Director of the Abu Dhabi Investment Authority and Co-Chair of the Joint Task Force, said:

“The delegates at today's Joint Task Force meeting were able to take great satisfaction from the progress made on implementing the landmark Comprehensive Economic Partnership Agreement between India and the UAE, and reiterated their intent to continue working collaboratively to ensure this partnership grows ever stronger. The activities of the Joint Task Force will play an important role in maintaining momentum, exploring new opportunities and ensuring the India-UAE trade and investment relationship continues to flourish.”

Shri Piyush Goyal, Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution, and Textiles, Government of India, and Co-chair of the Joint Task Force, said:

“With the conclusion of another fruitful meeting of this Joint Task Force, a lot of ground was covered. Existing collaborations were reviewed and strengthened, and new opportunities for partnerships were explored. Government of India reiterates the importance of food security in the UAE and extends its full support for the same. In this context, the progress of the food corridor project gains great significance, which received more clarity. Partnership agreement between NPCI and CBUAE for development of a National Card scheme for the UAE, modelled on India’s RuPay card, is another milestone in our economic engagement. The India-UAE partnership will go a long way and would be exemplary for the world.”

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