



MEI INDIA WATCH

(Monthly survey of India's relations with the Middle East)

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Compiled by

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Political Issues

Iran

1. India, Iran JV in sanctions list, crude oil ferries hit

New Delhi, Saturday, 10 July 2010

In a setback to THE Indian efforts to re-energise the relationship with Iran, a 35-year-old Indo-Iranian shipping joint venture, *Iran-o-Hind*, has been placed under sanctions in the latest UN Security Council Resolution 1929 on Iran. This is the only entity with Indian links included in the fresh round of sanctions.

This has significant implications for transport of crude that India imports from Iran. India imports 12 per cent of its crude from Iran. Tankers from *Iran-o-Hind*, which has a fleet of eight vessels, were used for this purpose. Sources said now India would have to look for alternate ways to transport crude, engaging services of entities that have not been affected by the sanctions.

Source: *The Indian Express*, New Delhi

For full report:

<http://www.indianexpress.com/news/indiairan-jv-in-sanctions-list-crude-oil-ferries-hit/644670/>

2. India wants to resume talks with Iran on 'Peace Pipeline'

New Delhi, Monday, 12 July 2010

After a two-year lull, India has proposed to resume talks with Iran on importing gas through a pipeline passing through Pakistan, but Iran wants the meeting to happen in Tehran. India, in April, proposed a meeting of the India-Iran Joint Working Group (JWG) between May 23 and 28 in New Delhi to discuss the Iran-Pakistan-India gas pipeline project, but Tehran has not yet confirmed the dates.

India has been boycotting project talks since 2008 over concerns on safe delivery of gas and frequent changes in price of gas. New Delhi wants Iran to stick to the price agreed between them in 2007 and also wants it to be responsible for safe passage of gas through Pakistan.

The pipeline has been on the drawing board since the mid-1990s, when Iran and India inked preliminary agreements to transport gas through Pakistan. It was dubbed the 'Peace Pipeline', because of hopes it would lead to a detente between neighbours India and Pakistan.

Source: *The Hindu*, Chennai

For full report: <http://www.thehindu.com/news/national/article512447.ece>

3. Sanctions disrupt Iran-India projects

Jerusalem, Monday, 19 July 2010

The latest round of unilateral US sanctions against Iran could derail planned energy projects between Iran and India, said India's Petroleum Secretary S. Sundareshan, the *Wall Street Journal* reported Monday (19 July).

Indian energy companies were considering deals with Iran, a large potential oil source for the fast-growing country. The two countries recently restarted talks over a US\$7.4 billion natural gas pipeline from Iran to India and Pakistan. Shortly after the US sanctions went into effect, Indian Foreign Secretary Nirupama Rao said India was concerned that 'certain unilateral sanctions recently imposed by individual countries' might 'have a direct and adverse impact on Indian companies and more importantly, on our energy security.'

Source: *The Jerusalem Post*

For full report: <http://www.jpost.com/International/Article.aspx?id=181916>

Israel

4. India Ship to join anti- Gaza Blockade campaign

Jerusalem, Monday, 26 July 2010

An Indian vessel is set to join a new international campaign named '*The Audacity of Hope*' to press for an end to the Israeli blockade of the Gaza Strip, weeks after nine pro-Palestinian activists were killed in an attack on an aid ship bound for Gaza.

The flotilla would comprise vessels from Europe, Canada, India, South Africa and the Middle East and would attempt to break the Israeli naval blockade in early autumn. The new campaign comes amid an increased international hue and cry to force Israel to lift its siege of the coastal territory. The effort is supported by several prominent figures, including Prof Rashid Khalidi, a well-known critic of Israel and friend of the US President.

Source: *The Indian Express*, New Delhi

For full report:

<http://www.indianexpress.com/news/indian-ship-to-join-antigaza-blockade-campaign/651733/>

5. India chapter to campaign against Israel

New Delhi, Monday, 12 July 2010

The India chapter of the international movement to campaign for academic and cultural boycott of Israel has been formed by a group of intellectuals. 'Just as it was in the case of the international call against South Africa in the apartheid years, we are confident that this boycott will be effective in contributing to international pressure on Israel to abandon its oppression and expulsion of the indigenous population based on military aggression, legal discrimination and persecution and economic stranglehold,' said an appeal made by the 'Palestinian Campaign for the Academic and Cultural Boycott of Israel.'

Members of the India chapter appealed to Indian academics and artists to join the cause 'which has become even more urgent today, when our nation's foreign policy has abandoned the ideals of self-determination and anti-colonialism.'

Source: *The Hindu*, Chennai

For full report: <http://www.thehindu.com/news/international/article510995.ece>

6. 26/11 brave-heart nanny to get Israeli citizenship

Mumbai, Sunday, 18 July 2010

Nanny Sandra Samuel, who saved Baby Moshe from the clutches of terrorists during the 26 November terror attack in Mumbai in 2008, would be granted Israeli citizenship. The official

website of the Chabad House quoted Interior Minister Eli Yishai as saying that it has been decided to confer citizenship upon Samuel, an Indian national, in recognition of her heroism.

Source: *The Indian Express*, New Delhi

For full report: <http://www.indianexpress.com/news/salute-to-the-brave-nanny/648224/>

United Arab Emirates

7. India, UAE work out prisoner transfer agreement

Dubai, Monday, 5 July 2010

India and the UAE are working on an agreement to allow transfer of prisoners between the two nations to serve their sentence terms in their home country. The agreement would enable Indian convicts in the UAE to serve their sentences in their home country, and the UAE would bear their daily expenses, India's ambassador to the UAE, M K Lokesh said. Following the signing of the agreement, a legal department in the UAE Embassy in India would follow up on the cases of prisoners who are transferred to Indian jails.

Source: *The Indian Express*, New Delhi

For full report: <http://www.indianexpress.com/news/india-uae-work-out-prisoner-transfer-agreement/642406/>

Economic Issues

Iran

8. Iran proposes investment protection treaty with India

New Delhi, Friday, 9 July 2010

Iran has offered to sign a bilateral investment protection treaty with India and invited Indian corporates to invest in refineries and power plants that are likely to be disinvested.

Visiting Iranian Minister for Economic Affairs and Finance Shamseddin Hosseini is understood to have discussed the prospects for the treaty with his Indian counterpart Pranab Mukherjee, here on Thursday [8 July]. Hosseini was in Delhi for the 16th meeting of the India-Iran Joint Commission, which was co-chaired by India's External Affairs Minister S.M. Krishna. The joint commission meeting is expected to identify joint cooperation projects such as Chabahar port in Iran, energy cooperation and trade.

Source: *The Asian Age*, Delhi

For full report: <http://www.asianage.com/india/iran-proposes-investment-protection-treaty-india-030>

9. India, Iran sign economic cooperation pacts

Dubai, Saturday, 10 July 2010

India signed six agreements with Iran today [9 July] covering economy and non-nuclear energy as well as counter-terror measures. The agreements come in the face of the sanctions against Iran with India saying that while it expected Iran to abide by its commitments on nuclear energy, economic cooperation between the two neighbours was necessary due to their age-old ties.

The two countries signed the agreements during the periodic two-day meeting of the Indo-Iran Joint Commission here. External Affairs Minister S M Krishna represented India and Finance Minister Seyed Shamseddin Hosseini represented Iran. The two countries also identified infrastructure, oil, gas, petrochemicals, mining, transport, chemicals, pharmaceuticals, textiles and agriculture for future cooperation.

Source: *Khaleej Times, Dubai*

For full report:

http://www.khaleejtimes.com/displayarticle.asp?xfile=data/middleeast/2010/July/middleeast_July162.xml§ion=middleeast&col=

IRAQ

10. India seeks to invest in Ninewa

Baghdad, Tuesday, 13 July 2010

India's Charge d'Affaires has expressed his country's keenness to invest in projects in Ninewa. This came during his first visit to the province and his meeting with the governor and a number of his advisors. Abdulmajied Bader expressed hopes of possible cooperation in various fields, mainly in information technology, communications, textiles and health. He suggested organizing visits from Ninewa to India, asserting that the Indian government has a desire to invest in Ninewa in the technology sector.

Source: *Iraq-Business News, Baghdad*

For full report: <http://www.iraq-businessnews.com/2010/07/13/india-seeks-to-invest-in-ninewa/>

Jordan

11. Jordan tourism board woos Indian tourists

Kochi, Saturday, 17 July 2010

In its efforts to woo more Indian tourists, Jordan Tourism Board (JTB) organised a road show here [Kochi] on Friday [16 July], as part of its 10-day programme in the country for focused marketing efforts and to engage with traders and consumers.

In an interaction with media persons, Maher Salman, Marketing Manager (ASEAN Region) JTB, pointed out that there has been a positive influx of Indian tourists in the early quarter of 2010 as the figures touched 20,000 in the first five months of this year, a 95 per cent increase over the previous year. In 2008, he said 38,000 Indians visited Jordan, while in 2009 the numbers came down to 29,000 due to global recession.

Ashish Sharma, Indian representative on the Board, said that Jordan had been identified as a short haul destination and Royal Jordanian flies every week from Delhi and Mumbai on a route covered within 5.5 hours.

Source: *The Hindu Business Line, Chennai*

For full report:

<http://www.thehindubusinessline.com/2010/07/17/stories/2010071752631700.htm>

Kuwait

12. Kuwait-India aviation row resolved

New Delhi, Thursday, 1 July 2010

After marathon negotiations lasting three days, India and Kuwait have reached an agreement on resolving a dispute on air traffic rights, over which the gulf state had threatened to stop Indian national carriers flying there from Sunday [4 July].

Kuwait authorities want *Air India* and *Indian* to operate flights to more destinations in the gulf country. But just before the expiry of the deadline, a MoU on resolving the issue was signed on Saturday by the civil aviation authorities of the two countries. The MoU says that the flight services between the two countries will continue freely and unhindered, much to the benefit of the thousands of passengers who feared disruptions in services between the two countries.

Source: *IBNLive, New Delhi*

For full report:

<http://ibnlive.in.com/news/indiakuwait-aviation-row-resolved/43837-7.html?from=prestory>

Oman

13. India, Oman joint investment fund

New Delhi, Wednesday, 14 July 2010

State Bank of India and State General Reserve Fund of Oman today [14 July] signed a joint venture agreement to form a joint investment fund, aimed at making equity investments in various sectors of the Indian economy. The fund will start with a corpus of US\$100 million to be contributed equally by State General Reserve Fund of Oman (SGRF) and SBI. It will explore

opportunities in all sectors without any specific preference. The fund would, for the present, limit itself to Indian investment opportunities.

The fund can be expanded to have a corpus of up to US\$1.5 billion through future schemes, depending upon the experience of the initial fund. The purpose of the collaboration is to attract capital into India from that region. The management company shall be owned 50:50 by SBI and SGRF, with equal profit sharing by both sides.

Source: *The Statesman, Kolkata*

For full report:

http://www.thestatesman.net/index.php?option=com_content&view=article&id=334625&catid=40

Saudi Arabia

14. Saudi Arabia offers scope for investment

Kochi, Monday, 12 July 2010

Talmiz Ahmad, India's Ambassador to the Kingdom of Saudi Arabia, said here on Saturday [10 July] that infrastructure and energy sectors in India offered scope for investment by Saudi Arabia. There was also potential for setting up joint ventures in the kingdom in knowledge-based services sectors. He was addressing a meeting organised by the Indian Chamber of Commerce and Industry here.

Besides being a major trade partner, India sees the Kingdom as an important economic partner for investments, joint ventures, transfer of technology projects and joint projects, he said. India is the fourth largest trading partner for Saudi Arabia. The volume of last year's trade exchange between the two countries was US\$25 billion.

Over 550 small and medium Indian enterprises have been set up in the kingdom with a total investment of over US\$2.5 billion. Of late, the number of Saudi tourists visiting India has started increasing.

Source: *The Hindu, Chennai*

For full report: <http://www.hindu.com/2010/07/12/stories/2010071259580500.htm>

Syria

15. Attempts to rope in Syria at India tea festival

Kolkata, Wednesday, 7 July 2010

The second India Tea Festival in Dubai will be held during 20-21 July. The Indian Tea Association (ITA) is organising it in association with the Dubai Tea Trading Centre and

Unilever, Dubai. The highlights of the festival will include, among other things, buyer-seller meets and tea tasting sessions.

Monojit Dasgupta, Secretary-General, ITA, told *Business Line* that about 30 buyers of Indian tea from Pakistan, Iran, the UAE and Egypt will attend the festival. 'For the first time, we are trying to involve Syria,' he said pointing out that at present the Syrian market was heavily dominated by Sri Lanka supplying orthodox tea.

Source: *The Hindu Business Line, Chennai*

For full report:

<http://www.thehindubusinessline.com/2010/07/08/stories/2010070853641800.htm>

Turkey

16. India, Turkey form joint group to expand trade

New Delhi, Thursday, 29 July 2010

Hoping to expand bilateral trade of goods and services, India and Turkey have formed a joint study group to evaluate the potential strengthening of commerce between the countries. The group, comprising of officials from the two countries that are going into the possibility of duty reduction or elimination through a free trade agreement, and is expected to finalise its report by early next year, additional secretary in the Commerce Ministry, A K Mangotra told reporters during a FICCI function here today.

Turkey, a member of the European customs union, could help India's entry to Europe and member-countries of Commonwealth of Independent States (CIS) like Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan, and Uzbekistan, Mangotra said

Source: *The Indian Express, New Delhi*

For full report: <http://www.indianexpress.com/news/india-turkey-form-joint-group-to-expand-tra/653303/>

United Arab Emirate

17. India, UAE discuss bilateral trade

Abu Dhabi, Tuesday, 27 July 2010

India's Ambassador to the United Arab Emirates (UAE) M.K. Lokesh and the Director General of UAE's Ministry of Foreign Trade Abdullah Ahmed Al Saleh met in Abu Dhabi to discuss issues related to bilateral trade. The Indian envoy was told that the UAE is keen to bolster its trade cooperation with India, as it is the key trade partner in UAE's non-oil trade.

Currently, the Emirates' non-oil trade with India stands at US\$29.4 billion, accounting for 61 percent of the region's total non-oil foreign trade.

Source: *The Deccan Chronicle*, Hyderabad

For full report: <http://www.deccanchronicle.com/business/india-uae-discuss-bilateral-trade-218>

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